

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**



CITY OF BYRAM, MISSISSIPPI
For the Fiscal Year Ended September 30, 2019

Prepared by the Department of Finance and Administrative
Angela Richburg, City Clerk

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CITY OF BYRAM, MISSISSIPPI
Comprehensive Annual Financial Report
For the Year Ended September 30, 2019

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I

INTRODUCTORY SECTION

This section contains a letter of transmittal intended to give the reader a concise but thorough understanding of the background, structure, and the economic and financial condition of the City. An organizational chart is included along with a listing of principal City officials.

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May 19, 2020

To the Citizens of the City of Byram, Mississippi:

It is our pleasure to submit the Comprehensive Annual Financial Report (CAFR) of the City of Byram, Mississippi, for the fiscal year ended September 30, 2019. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentations in the financial statements, including all disclosures, rests with the management of the City of Byram. This report was prepared in conformity with generally accepted accounting principles in the United States of America (GAAP).

The City is responsible for establishing and maintaining internal controls to ensure that adequate accounting data is compiled to allow preparation of financial statements in conformity with GAAP. Because the cost of a control should not exceed the benefits likely to be derived, internal controls have been implemented to provide reasonable, but not absolute, assurance regarding the reliability of the financial statements. We believe the information as presented is complete and accurate.

Fortenberry & Ballard, P.C., Certified Public Accountants, performed an examination, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, of the basic financial statements for the City of Byram. Their unmodified opinion is presented as the first page of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A of the City of Byram can be found immediately following the auditor's report.

Profile of the Government

The City of Byram, Mississippi is the newest city of Hinds County and the second newest city of the State of Mississippi. It was incorporated in 2009 and has approximately 11,500 residents. It is situated south of Jackson, Mississippi on I-55 South and has been referred to as a smaller suburb nestled to the west of the Pearl River, which ultimately feeds into the Mississippi River.

Between 2000 and 2010, the population of the City of Byram grew by nearly 5,000 residents as citizens of Jackson, other surrounding communities, and Hurricane Katrina affected areas made their way to a newly thriving area. Byram residents send their children to schools operated by the Hinds County School District of which three of their largest schools are located within Byram city limits. It is also home to Willow Creek Nursing Home Facility and Edgewood Health and Rehab for the elderly.

Numerous local and national businesses make their home in Byram. Siwell Road and Terry Road are home to shopping centers, restaurants, small businesses and neighborhoods. In April of 2011, the City of Byram approved its first TIF (Tax Increment Financing) Development to assist in encouraging retail growth. The City also continues its growth with new business expansions along Interstate 55.

Byram is a code-charter municipality, operating under a Mayor/Board of Aldermen/Alderwomen form of government. The Mayor is part-time and elected at-large. Of the seven Aldermen/Alderwomen, six are elected by ward, and one is elected at-large. The Mayor and Board serve concurrent four-year terms with the next city-wide general election being held in June 2021.

The City provides a full range of services to enhance and protect the lives of its citizens. The services include, but are not limited to, police and fire protection, recreational and cultural services, sewer services, construction and maintenance of streets and infrastructure, planning and zoning, and general administrative services.

The City of Byram maintains specific budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Mayor and Board of Aldermen/Alderwomen. Activities of the general funds, special revenue funds, debt service funds, capital projects funds, and enterprise fund are included in the annual appropriated budget. The legal level of budgetary control, the level at which expenditures cannot legally exceed the appropriated amount is established by major expenditure classifications within departments. These major classifications are personnel services, supplies, services, and capital outlay/debt services. Changes in the appropriated amount of any major classification requires approval of the governing body; however, equal transfers between line items within a specific classification may be approved by the City Clerk, who is the Director of Finance and Administration.

Factors Affecting Financial Condition

The City of Byram currently enjoys a stable economic environment and local indicators point to its continued stability. The City's primary sources of revenue are property taxes and sales taxes. At September 30, 2019 approximately, 35.2 percent were represented in property taxes while 36.3 percent of the City's general revenues were comprised of sales taxes. City property owners pay property taxes for city, county and schools totaling \$149.10 per \$1,000 of assessed value. The assessment rate is 10 percent for residential property, 15 percent for other real property and 30 percent for personal property. There is no local income tax.

The City of Byram prides itself in maintaining a reserve balance that will maintain a minimum of three months of service in time of emergency. The majority of funds were accumulated during the first three years and increased as needed in following years. During the first two years, the City was able to establish its initial Police Department consisting of 40 employees, a renovated building and 26 patrol units without issuing debt. Byram has maintained a minimal debt ratio while establishing its initial City Hall, Fire Station, and Public Works Department as well as providing necessary equipment to fulfill service needs.

Long-Term Financial Planning

The various departments have prepared strategic plans regarding buildings, equipment, infrastructure projects and miscellaneous capital improvements. These plans are referred to during the annual budget preparation for determination of financing and timing of budget integration.

During the annual budget process in August, every department head is required to present his/her annual personnel, buildings and equipment, and any other items deemed necessary for the upcoming year to the Mayor and Board of Aldermen/Alderwomen. Recommendations for financing such as lease purchases and issuance of general obligation bonds are made and taken into account when preparing the yearly budget.

Relevant Financial Policies

The City of Byram is required by Section 21-35-25 of Mississippi Code to make revisions to the annual budget no later than the July board meeting if it appears at that time collections of anticipated revenues will be less than expected and create a deficit balance. During the current year General Fund additions to revenues in the amount of \$1.31 million dollars were made as well as an increase of \$638 thousand in expenditures. The addition in revenue was due to approximately \$770 thousand being recovered due to sales tax audits, \$123 thousand in SAFER grant funds for the Fire Department and prior year revenues of 2017 and 2018 remaining in the beginning balance. These funds are anticipated to be expended in fiscal year 2020 for the Henderson Road Project as well as other capital outlays. The increase of expenditures was primarily due to 14 additional firemen positions in the Fire Department and additional paving. The City has not adopted a minimum fund balance policy; but, has a standard practice of maintaining at minimum reserve to provide three months of service in times of emergency.

Major Initiatives

During fiscal year 2019, Byram focused community relations by expanding its Byram Soccer League initially organized in 2016, annual Christmas Parade and the Swinging Bridge 5K and the Swinging Bridge Festival. It continues to team up with the area Junior Auxiliary to have an annual Trunk or Treat event. Fourteen Firemen were added to the Fire Department in preparation of building a second fire station. The total road reclamation of Henderson Road began in fiscal year 2019 with a completion date in fiscal year 2020. We also began a major force main project in the sewer department that will be completed in 2020.

Current Issues

Sales taxes have provided a relatively stable source of revenue for the City, but the Coronavirus pandemic and its sudden hit to the economy may impact this source of revenue. With consumer spending severely limited by social distancing and orders for people to stay at home, sale tax revenue is likely to plummet. Although it is difficult to gauge the eventual fiscal impact of the pandemic, the latest Moody's predictions are that sales tax collections most of will remain depressed throughout most of 2020.

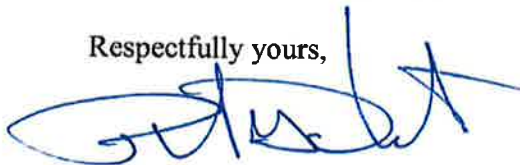
Awards and Acknowledgments

The preparation of this report on a timely basis could not have been accomplished without the cooperation of the entire staff of the Department of Finance and Administration. We also wish to express our appreciation for the cooperation of the other City Departments in providing information for this report.

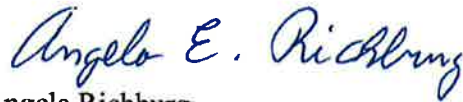
We acknowledge the thorough and professional manner in which the audit was conducted by our independent auditors, Fortenberry & Ballard, P.C., and their contribution toward the preparation of this CAFR.

Finally, we acknowledge the Board of Aldermen/Alderwomen. Their continuing interest and support are greatly appreciated.

Respectfully yours,



Richard White
Mayor
City of Byram



Angela Richburg
City Clerk
City of Byram



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Byram
Mississippi**

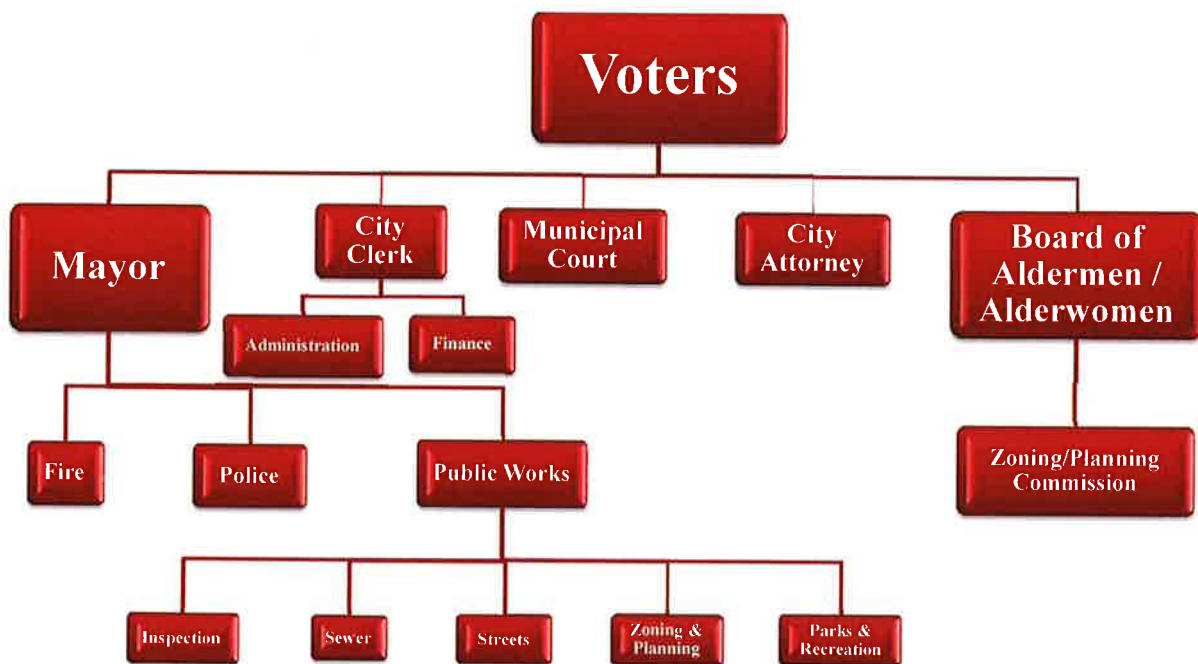
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2018

Christopher P. Morill

Executive Director/CEO

City of Byram, Mississippi
Organization Chart
For the Year Ended September 30, 2019



CITY OF BYRAM, MISSISSIPPI
Listing of City Officials
As of September 30, 2019

Elected Officials

| | |
|------------------------------|------------------|
| Mayor | Richard White |
| Alderman - Ward 1 | Janice Moser |
| Alderwoman - Ward 2 | Diandra A. Hosey |
| Alderwoman - Ward 3 | Charlie Campbell |
| Alderwoman - Ward 4 | Teresa Mack |
| Alderwoman - Ward 5 | Wanda Smith |
| Alderman - Ward 6 | Paul David Moore |
| Alderman - Mayor Pro Tempore | Richard Cook |

Appointed Officials

| | |
|-----------------------|----------------------------------|
| City Clerk | Angela Richburg |
| Public Works Director | Cohn Livingston |
| Chief of Police | Luke Thompson |
| Fire Chief | Fred Green |
| City Attorney | Jerry Mills |
| City Judges | Dale Schwindaman/Damon Stevenson |
| City Prosecutor | John Scanlon |

CITY OF BYRAM, MISSISSIPPI
Comprehensive Annual Financial Report
For the Year Ended September 30, 2019



State of Mississippi



City of Byram in Hinds County, Mississippi

II

FINANCIAL SECTION

This section includes the basic financial statements and the combining and individual fund financial statements and schedules, as well as the independent auditor's report on the financial statements and schedules.

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FINANCIAL AUDIT REPORT

FORTENBERRY & BALLARD, PC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON THE BASIC FINANCIAL
STATEMENTS AND SUPPLEMENTARY INFORMATION

Mayor and Board of Aldermen/Alderwomen
City of Byram, Mississippi

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Byram, Mississippi, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City of Byram, Mississippi's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

1929 SPILLWAY ROAD, SUITE B
BRANDON, MISSISSIPPI 39047
TELEPHONE 601-992-5292 FAX 601-992-2033

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Byram, Mississippi, as of September 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, the Schedule of the City's Proportionate Share of the Net Pension Liability, and the Schedule of the City's Contributions on pages 25-41 and 85-90, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Byram, Mississippi's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, the budgetary schedules, the other information (Schedules D-1 to D-3), and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Requirements, and Audit Requirements for Federal Awards, is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards, combining and individual nonmajor fund financial statements, the budgetary schedules, and the other information (Schedules D-1 to D-3), are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial

statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 19, 2020, on our consideration of the City of Byram, Mississippi's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Byram's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Byram, Mississippi's internal control over financial reporting and compliance.

FORTENBERRY & BALLARD, PC

Fortenberry & Ballard, PC
May 19, 2020

Certified Public Accountants

MANAGEMENT'S DISCUSSION AND ANALYSIS

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City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2019

The following discussion and analysis of the City of Byram's financial performance provides an overview of the City's financial activities for the year ended September 30, 2019. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers are encouraged to review the financial statements and the notes to the financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

- Total net position for 2019 increased \$2,505,324, including a prior period adjustment of \$25,789, which represents a 52% increase from fiscal year 2018. Total net position for 2018 increased \$400,938, including a prior period adjustment of \$654,688, which represents a 9% increase from fiscal year 2017.
- General revenues account for \$7,658,470, or 62% of all revenues in 2019. General revenues accounted for \$6,686,229, or 75% of all revenues in 2018. Program specific revenues in the form of charges for services and grants and contributions accounted for \$4,647,867 or 38% of total revenues in 2019, compared with \$2,259,737 or 25% of total revenues in 2018.
- The City had \$9,826,802 in expenses, an amount that increased when compared with the \$9,199,716 in expenses for the prior year; \$4,647,867 of these expenses were offset by program specific charges for services, grants and contributions. General revenues of \$7,658,470 for 2019 were adequate to provide for these programs. However, \$6,686,229 for 2018 were not adequate to provide for these programs.
- Among the major funds, the General Fund had \$9,189,515 in revenues and \$8,820,429 in expenditures. In 2018, the General Fund had \$6,940,688 in revenues and \$7,741,560 in expenditures. The General Fund's fund balance increased by \$378,598, from 2018 to 2019 and decreased by \$419,126, including a prior period adjustment of (\$92,223), from 2017 to 2018.
- The Enterprise Fund - Sewer Fund had \$2,007,497 in revenues and \$1,235,149 in expenses. Its net income, after non-operating revenues and expenses were included, was \$567,390, excluding a prior period adjustment of \$68,116. Last year it showed \$1,035,675 in revenues and \$924,622 in expenses. Its net loss, after non-operating revenues and expenses were included, was \$5,397, excluding a prior period adjustment of \$29,324.

City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2019

- Capital assets, net of accumulated depreciation, increased by \$1,435,782, in the governmental activities, including the effect of a prior period adjustment of (\$42,327), for 2019. The increase for 2019 was primarily due to the additions to construction in progress, infrastructure, improvements other than buildings, mobile equipment and furniture and equipment. Capital assets, net of accumulated depreciation, increased by \$1,381,959, in the governmental activities, including the effect of a prior period adjustment of \$717,587, for 2018.
- Capital assets in the business-type activities, net of accumulated depreciation, increased \$390,962, mainly due to the additions to infrastructure and furniture and equipment. Capital assets in the business-type activities, net of accumulated depreciation, increased \$4,300,320, including the effect of a prior period adjustment of \$23,559, mainly due to the additions to infrastructure.
- Long-term debt decreased by \$683,086, in the governmental activities from 2018 to 2019. This decrease is mainly due to the principal payments made to principal payments on long-term debt. Long-term debt decreased by \$207,723, in the governmental activities from 2017 to 2018.
- Long-term debt decreased by \$451,039, in the business-type activities from 2018 to 2019. The decrease in the business-type activities was mainly due to the principal payments on long-term debt. Long-term debt increased by \$5,239,200, in the business-type activities from 2017 to 2018.

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the City of Byram as a financial whole or as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial conditions.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those assets. Major fund financial statements provide the next level of detail. For governmental funds, these statements show how services were financed in the short-term as well as what dollars remain for future spending. The fund financial statements also look at the City's most significant funds with all other non-major funds presented in total in one column.

Reporting the City of Byram as a Whole

Statement of Net Position and the Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the

City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2019

question, "How did we do financially during 2019?" The Statement of Net Position and the Statement of Activities answer this question.

These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by the private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the City's net position and the change in net position. This change in net position is important because it tells the reader whether, for the City as a whole, the financial position of the City has improved or diminished. However, in evaluating the overall position of the City, non-financial information such as changes in the City's tax base and the condition of City capital assets will also need to be evaluated.

In the Statement of Net Position and the Statement of Activities, all of the City's activities are reported in Governmental Activities and Business-type Activities, which include all of the City's services including police, fire, administration, and sewer and all other departments.

The City of Byram has no Component units as defined by the Governmental Accounting Standards Board (GASB).

Reporting the City of Byram's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the City's major funds. Based on restrictions on the use of monies, the City has established many funds, which account for the multitude of services provided to the City's residents. However, these fund financial statements focus on the City's most significant funds. In the case of the City of Byram, the City's major fund is the General Fund.

Governmental Funds

All of the City's non-proprietary activities are reported in the governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future on services provided to the City's residents. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled as part of the basic financial statements.

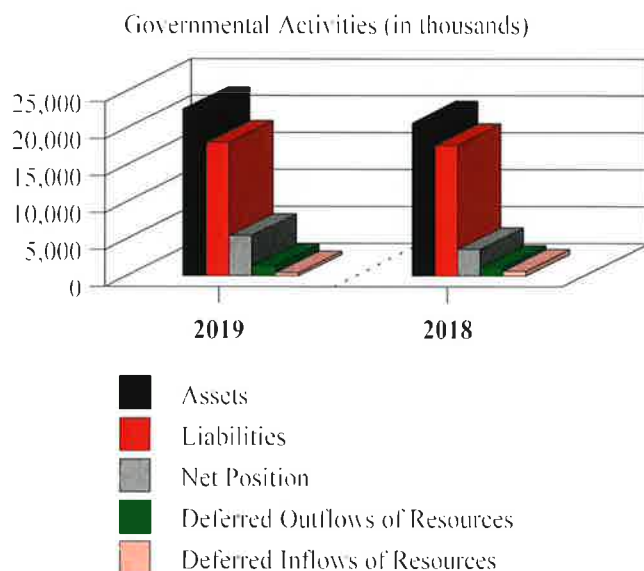
City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2019

The City of Byram as a Whole

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Over time the trend as well as the amount of net position may serve as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$7,309,074 at September 30, 2019.

The following chart depicts the total amount of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position as of September 30, 2019 and September 30, 2018 in the governmental activities column.



The largest portion of the City's net position for governmental activities (\$8,385,769 or 154%) reflects its net investment in capital assets (capital assets less any capital related outstanding debt used to acquire those capital assets). Although the City's net investment in capital assets is reported net of the related debt, it should be noted that the resources needed to repay this debt must be provided from other sources and not the capital assets themselves.

The following are significant current year transactions that have had an impact on the Government-Wide Statement of Net Position - Governmental Activities.

- The \$700,749 retirement of principal of long-term debt.
- Increase in net capital assets in the amount of \$1,435,782.

City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2019

The table on the next page shows a comparative analysis of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position for the Government-Wide Statement of Net Position.

Government-Wide Condensed Statement of Net Position
Governmental Activities

| | <u>September 30, 2019</u> | <u>September 30, 2018</u> | <u>Percentage Change</u> |
|---|---------------------------|---------------------------|------------------------------|
| Assets: | | | |
| Current assets | \$ 6,188,524 | 5,770,088 | 7% |
| Capital assets, net | <u>16,396,330</u> | <u>14,960,548</u> | 10% |
| Total assets | <u>22,584,854</u> | <u>20,730,636</u> | 9% |
| Deferred Outflows of Resources | <u>1,375,514</u> | <u>1,199,631</u> | 15% |
| Liabilities: | | | |
| Current liabilities | 983,839 | 1,186,199 | (17)% |
| Long-term debt outstanding | 7,533,246 | 8,180,088 | (8)% |
| Net pension liability | <u>9,547,406</u> | <u>8,318,986</u> | 15% |
| Total liabilities | <u>18,064,491</u> | <u>17,685,273</u> | 2% |
| Deferred Inflows of Resources | <u>434,400</u> | <u>653,335</u> | (34)% |
| Net position: | | | |
| Net investment in capital assets | 8,385,769 | 6,249,238 | 34% |
| Restricted | 965,403 | 827,544 | 17% |
| Unrestricted | <u>(3,889,695)</u> | <u>(3,485,123)</u> | (12)% |
| Total net position | <u>\$ 5,461,477</u> | <u>3,591,659</u> | 52% |

City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2019

Additional information on unrestricted net position:

In connection with the application of standards on accounting and financial reporting for pensions, management presents the following additional information:

| | |
|--|----------------------------|
| Total unrestricted net position (deficit) | \$ (3,889,695) |
| Less unrestricted deficit in net position resulting from recognition of the net pension liability including the related deferred outflows and deferred inflows | <u>8,606,292</u> |
| Unrestricted net position, exclusive of the net pension liability effect | <u><u>\$ 4,716,597</u></u> |

The table on the next page depicts the revenues by major sources extracted from the government-wide statement of activities - governmental activities column.

City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2019

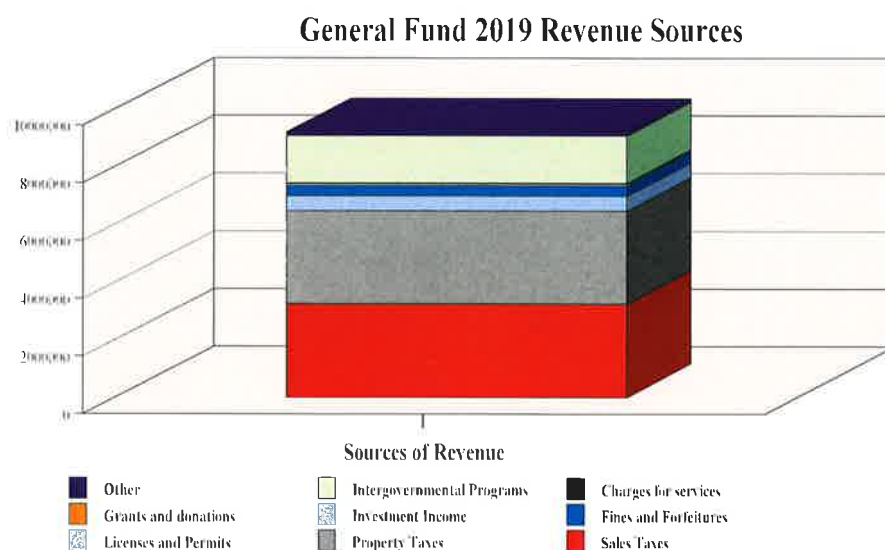
Government-Wide Condensed Statement of Activities
Governmental Activities

| | Year Ended September 30, 2019 | Year Ended September 30, 2018 | Percentage Change |
|---|----------------------------------|----------------------------------|----------------------|
| Revenues: | | | |
| Program revenues: | | | |
| Charges for services | \$ 1,466,293 | 1,006,824 | 46% |
| Operating grants and contributions | 1,174,077 | 217,238 | 440% |
| General revenues: | | | |
| Intergovernmental / Unrestricted | 3,616,127 | 2,802,450 | 29% |
| Property taxes | 3,732,040 | 3,590,790 | 4% |
| Road and bridge privilege taxes | 60,308 | 15,669 | 285% |
| Other taxes | 6,385 | 6,385 | 0% |
| Unrestricted investment income | 64,237 | 61,179 | 5% |
| Miscellaneous | 167,398 | 202,329 | (17)% |
| Total revenues | 10,286,865 | 7,902,864 | 30% |
| Expenses: | | | |
| General government | 1,713,206 | 1,553,934 | 10% |
| Public safety | 3,453,452 | 4,257,675 | (19)% |
| Public works | 2,599,260 | 1,790,615 | 45% |
| Culture and recreation | 354,453 | 309,794 | 14% |
| Interest on long-term debt | 254,349 | 239,199 | 6% |
| Total expenses | 8,374,720 | 8,151,217 | 3% |
| Increase (decrease) in net position | 1,912,145 | (248,353) | 870% |
| Net Position, Beginning, as previously reported | 3,591,659 | 3,214,648 | 12% |
| Prior Period Adjustment | (42,327) | 625,364 | (107)% |
| Net Position, Beginning, as restated | 3,549,332 | 3,840,012 | (8)% |
| Net Position, Ending | \$ 5,461,477 | 3,591,659 | 52% |

City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2019

GENERAL GOVERNMENT FUNCTIONS

The City's General Fund is used to account for expenditures of traditional services as well as all financial resources other than those required to be accounted for in other funds. General Fund revenues include property tax, intergovernmental revenues, various permit fees, franchise taxes, fines, and other sources as indicated on the accompanying graphs and schedules.



Revenues

The primary source of General Fund revenues is property taxes. The State of Mississippi levies a general sales tax of 7% on most retail sales. Of the amount collected by the state, each municipality receives 18.5% of the amount collected within its corporate boundaries. Sales tax accounted for 35% of General Fund revenues in fiscal year 2019. Sales tax collections in fiscal year 2019 were \$3,227,367, a 35% increase over the \$2,384,737 collected in 2018. Total General Fund operating revenues were \$9,189,515, an increase of \$2,248,827 over the prior year.

Assessed valuation within the City was \$106,489,114 for fiscal year 2019 and \$95,617,065 for fiscal year 2018. It is expected that the City will continue to attract residents and business alike. Assessed valuation within the city increased by \$10,872,049, or 11% from fiscal year 2018.

Expenditures

General Fund operating expenditures were \$8,820,429, an increase of \$1,078,869 when compared to the prior year. The following schedule presents the General Fund revenues and expenditures for the year ended September 30, 2019, and the amount and percentage of change from 2018.

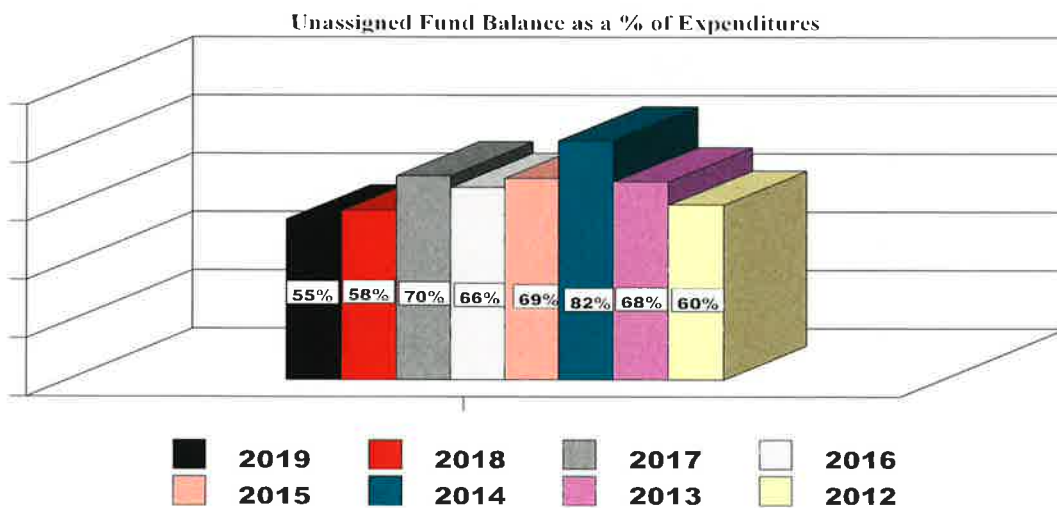
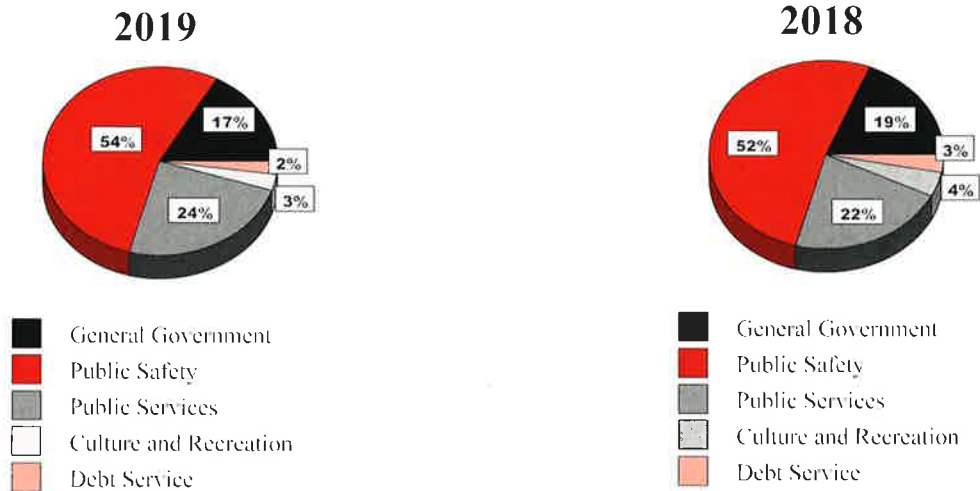
City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2019

GENERAL FUND (GAAP BASIS)
(in thousands)

| | 2019 Amount | 2018 Amount | Dollar Increase (Decrease) from 2018 | Percent Increase (Decrease) from 2018 |
|----------------------------|-----------------|-----------------|---|--|
| Revenues: | | | | |
| Sales tax | \$ 3,227 | \$ 2,385 | \$ 842 | 35.3% |
| Property tax | 3,224 | 3,098 | 126 | 4.1% |
| Licenses and permits | 510 | 508 | 2 | 0.4% |
| Fines and forfeitures | 374 | 361 | 13 | 3.6% |
| Investment income | 53 | 51 | 2 | 3.9% |
| Grants and donations | 2 | 3 | (1) | (33.3)% |
| Charges for services | 28 | 31 | (3) | (9.7)% |
| Intergovernmental revenues | 1,651 | 328 | 1,323 | 403.4% |
| Other | 120 | 176 | (56) | (31.8)% |
| Total revenues | \$ 9,189 | \$ 6,941 | \$ 2,248 | 32.4% |
| Expenditures: | | | | |
| General government | \$ 1,483 | \$ 1,374 | \$ 109 | 7.9% |
| Public safety | 4,787 | 4,708 | 79 | 1.7% |
| Public services | 2,125 | 1,328 | 797 | 60.0% |
| Culture and recreation | 274 | 223 | 51 | 22.9% |
| Debt service: | | | | |
| Principal | 141 | 101 | 40 | 39.6% |
| Interest | 10 | 7 | 3 | 42.9% |
| Total expenditures | \$ 8,820 | \$ 7,741 | \$ 1,079 | 13.9% |

City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2019

The following charts display the expenditures by department in the General Fund:



Status of Fund Balance

On the balance sheet, fund balance is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent and the remaining portion is available for appropriation. The fiscal year ended September 30, 2019 ending unassigned fund balance in the General Fund is \$4,830,375 which is 55% of the general fund operating expenditures.

City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2019

Other Governmental Funds

The financial performance of the City as a whole is reflected in its governmental funds. As the City completed the year, its governmental funds reported a combined fund balance of \$5,911,278, an increase of \$592,376. \$4,830,375 or 82% of the fund balance is unassigned, which represents the residual classification fund balance that has not been assigned to other funds and that has not been restricted to specific purposes. The remaining fund balance of \$1,080,903 or 18% is restricted to indicate that is not available for spending except only for the purposes to which it is restricted.

The fund balance of Other Governmental Funds showed an increase of \$213,778 mainly due to the increase in collection of ad valorem taxes and sales tax.

PROPRIETARY FUNDS

Byram's proprietary operations consist of the Sewer Fund. The Sewer Fund accounts for sewer revenues and expenses to construct and maintain a sewer system.

The following is a comparative analysis of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position for the business type activities:

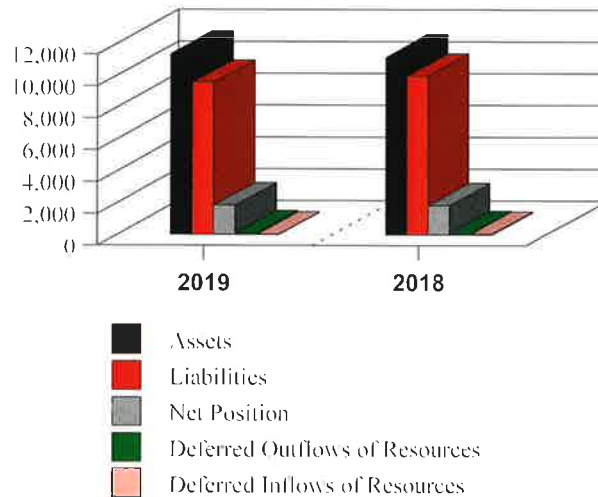
City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2019

Condensed Government-Wide Statement of Net Position
Business-Type Activities

| | <u>September 30, 2019</u> | <u>September 30, 2018</u> | <u>Percentage Change</u> |
|---|---------------------------|---------------------------|------------------------------|
| Assets: | | | |
| Current assets | \$ 1,060,292 | 1,207,383 | (12)% |
| Capital assets, net | 10,260,620 | 9,869,658 | 4% |
| Total assets | <u>11,320,912</u> | <u>11,077,041</u> | <u>2%</u> |
| Deferred outflows of resources | <u>75,892</u> | <u>67,854</u> | <u>12%</u> |
| Liabilities: | | | |
| Current liabilities | 764,973 | 723,737 | 6% |
| Long-term liabilities | 8,305,022 | 8,775,992 | (5)% |
| Net pension liability | 466,473 | 410,330 | 14% |
| Total liabilities | <u>9,536,468</u> | <u>9,910,059</u> | <u>(4)%</u> |
| Deferred inflows of resources | <u>12,739</u> | <u>22,745</u> | <u>(44)%</u> |
| Net position: | | | |
| Net investment in capital assets | 1,488,383 | 1,818,009 | (18)% |
| Restricted for public works | 359,214 | 0 | N/A |
| Unrestricted | 0 | (605,918) | 100% |
| Total net position | <u>\$ 1,847,597</u> | <u>1,212,091</u> | <u>52%</u> |

The following chart shows the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position for the government -wide statements, business-type activities.

City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2019



The following are significant current year transactions that have had an impact on the Government-Wide Statement of Net Position - Business-Type Activities.

- The \$450,308 retirement of principal of long-term debt.

Below is a comparative analysis of the revenues and expenses of the government-wide statements - Business-Type activities column.

City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2019

Government-Wide Condensed Statement of Activities
Business-Type Activities

| | Year Ended September 30, 2019 | Year Ended September 30, 2018 | Percentage Change |
|--|----------------------------------|----------------------------------|----------------------|
| Revenues: | | | |
| Program revenues: | | | |
| Charges for services | \$ 2,007,497 | 1,035,675 | 94% |
| Total program revenues | 2,007,497 | 1,035,675 | 94% |
| General revenues: | | | |
| Unrestricted investment income | 11,975 | 7,427 | 61% |
| Total general revenues | 11,975 | 7,427 | 61% |
| Total revenues | 2,019,472 | 1,043,102 | 94% |
| Expenses: | | | |
| Sewer | 1,452,082 | 1,048,499 | 38% |
| Total expenses | 1,452,082 | 1,048,499 | 38% |
| Increase (decrease) in net position | 567,390 | (5,397) | 10,613% |
| Net Position - Beginning, as previously reported | 1,212,091 | 1,188,164 | 2% |
| Prior Period Adjustment | 68,116 | 29,324 | 132% |
| Net Position - Beginning, as restated | 1,280,207 | 1,217,488 | 5% |
| Net Position, Ending | \$ 1,847,597 | 1,212,091 | 52% |

Sewer Fund

Financial data for the Sewer Fund for the current year is presented as follows:

| | September 30, 2019 | September 30, 2018 |
|-------------------------|--------------------|--------------------|
| Operating Revenues | \$ 2,007,497 | 1,035,675 |
| Operating Expenses | 1,235,149 | 924,622 |
| Operating Income (Loss) | \$ 772,348 | 111,053 |

City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2019

General Fund Budgeting Highlights

The City's budget is prepared according to Mississippi's law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

An analysis of the final budget to actual budget variances reveal consistent cost saving at each department level as detailed at Exhibit B-1.

Total revenues for the General fund were under budgeted by \$367,292. The larger variances for areas that exceeded the budget include \$52,367 in additional sales tax, \$222,783 in additional automobile, real property taxes and road and bridge taxes, additional licenses and permits in the amount of \$6,716, additional fines and forfeitures in the amount of \$7,613 as well as \$11,790 in miscellaneous income. The overage in Intergovernmental programs of \$66,023 due to the timing of receiving these reimbursements was mostly offset by the additional incomes in a newly funded U.S. Department of Homeland Security SAFER Grant, Homestead Exemption reimbursement funds and Fire Insurance Rebate funds.

The expenditure variances are discussed on the actual basis with the inclusion of payroll and payable accruals. The General Government expenditures largest variances were in Contract Services. Contract Services of \$114,137 remained unobligated mostly due to unused consulting and legal services as well as advertising, insurance and travel. Personnel had a remaining balance of \$17,233 due to unspent funds for benefits and overtime while capital outlay remained balance with a balance of \$20,430 due to funds unspent on office equipment and furniture. Supplies were left with a remaining balance \$9,920 mostly due to money unspent for office supplies, other supplies and vehicle repair and maintenance. Public Safety's largest budget variance was in Personnel Services totaling \$271,527. This was caused by unused benefits in the Fire and Police Departments as well as the timing of filling positions. The remaining balance of \$44,758 in Contract Services is largely due to reduced travel and training, and insurance rates in the Police Department as well as travel and training and maintenance agreements in the Fire Department. Public Safety had a minimal amount of \$1,733 unspent capital outlay due to savings on Fire Department furniture purchased. Public Services remained with unobligated money in personnel, supplies, services and capital outlay. Public Services largest budget variance was in Capital Outlay in the amount of \$310,584 due to the timing of street paving projects completion. The remaining balance of \$57,578 in personnel and supplies was due to an unfilled positions and street repairs and maintenance of potholes and striping of streets not being necessary. An excess of \$32,464 remaining was mainly due to the timing of final engineering services for the Henderson Road project. In Culture and Recreation, personnel service has a remaining balance of \$3,171 due Parks and Recreation having an open part-time position. Additional monies in the amount of \$38,229 not obligated in Supplies and Services for Parks and Recreation was mostly due unspent funds on the activity supplies and contract labor because of the city focusing on the soccer league and foregoing the baseball and softball leagues. A variance of \$21,430 remained in the Parks and Recreation budget for equipment installation. Other financing source has a remaining balance of \$1,559,548 due to monies remaining in the transfer out budget to record the additional ending fund balance from previous years and the current year as well as insurance proceeds.

City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2019

CAPITAL ASSETS AND LONG-TERM DEBT OBLIGATIONS

Governmental Activities:

Capital Assets, Net of Accumulated Depreciation

| | <u>September 30, 2019</u> | <u>September 30, 2018</u> | <u>Percentage Change</u> |
|-----------------------------------|---------------------------|---------------------------|------------------------------|
| Land | \$ 1,029,718 | 1,029,718 | 0% |
| Construction in progress | 1,176,108 | 115,179 | 921% |
| Infrastructure | 7,854,304 | 8,011,392 | (2)% |
| Buildings | 3,846,509 | 3,935,506 | (2)% |
| Improvements other than buildings | 879,988 | 120,438 | 631% |
| Mobile equipment | 946,863 | 1,053,735 | (10)% |
| Furniture and equipment | 662,840 | 694,580 | (5)% |
| Total | \$ 16,396,330 | 14,960,548 | 10% |

For more detailed information concerning capital assets see Note 5 in the Notes to the Financial Statements of this report.

Governmental Activities:

At September 30, 2019, the City of Byram had \$7,595,000 in outstanding Bonds, and \$415,561 in other Long-Term Debt. Compensated absences increased \$17,663 during the year.

Other Long-Term Obligations Debt at Year End

| | <u>September 30, 2019</u> | <u>September 30, 2018</u> | <u>Percentage Change</u> |
|----------------------|---------------------------|---------------------------|------------------------------|
| Bonds | \$ 7,595,000 | 8,155,000 | (7)% |
| Other long-term debt | 415,561 | 556,310 | (25)% |
| Compensated absences | 195,974 | 178,311 | 10% |
| Total | \$ 8,206,535 | 8,889,621 | (8)% |

For more detailed information concerning long-term debt see Note 6 in the Notes to the Financial Statements of this report.

City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2019

Business-Type Activities:

Capital Assets, Net of Accumulated Depreciation

| | <u>September 30, 2019</u> | <u>September 30, 2018</u> | <u>Percentage Change</u> |
|-----------------------------------|---------------------------|---------------------------|------------------------------|
| Land | \$ 750,000 | 750,000 | 0% |
| Infrastructure | 8,414,060 | 7,970,649 | 6% |
| Improvements other than buildings | 93,237 | 98,625 | (5)% |
| Mobile equipment | 15,116 | 25,315 | (40)% |
| Furniture and equipment | 988,207 | 1,025,069 | (4)% |
| Total | \$ 10,260,620 | 9,869,658 | 4% |

For more detailed information concerning capital assets see Note 7 in the Notes to the Financial Statements of this report.

Business-Type Activities:

At September 30, 2019, the City of Byram had \$5,760,000 in outstanding Bonds, and \$3,012,237 in Other Long-Term Debt. Compensated absences decreased \$731 during the year.

Other Long-Term Obligations Debt at Year End

| | <u>September 30, 2019</u> | <u>September 30, 2018</u> | <u>Percentage Change</u> |
|----------------------|---------------------------|---------------------------|------------------------------|
| Bonds | \$ 5,760,000 | 6,010,000 | (4)% |
| Other long-term debt | 3,012,237 | 3,212,545 | (6)% |
| Compensated absences | 3,017 | 3,748 | (20)% |
| Total | \$ 8,775,254 | 9,226,293 | (5)% |

For more detailed information concerning long-term debt see Note 8 in the Notes to the Financial Statements of this report.

Current Issues

Sales taxes have provided a relatively stable source of revenue for the City, but the Coronavirus pandemic and its sudden hit to the economy may impact this source of revenue. With consumer spending severely limited by social distancing and orders for people to stay at home, sale tax revenue is likely to plummet. Although it is difficult to gauge the eventual fiscal impact of the pandemic, the latest Moody's predictions are that sales tax collections most of will remain depressed throughout most of 2020.

City of Byram, Mississippi
Management's Discussion and Analysis
For the Year Ended September 30, 2019

Contacting the City's Finance Department

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Angela Richburg, City Clerk, at (601) 372-7746 or visit our web site at www.byram-ms.us. Our mailing address is City of Byram, P.O. Box 720222, Byram, MS 39272.

FINANCIAL STATEMENTS

CITY OF BYRAM, MISSISSIPPISTATEMENT OF NET POSITION
SEPTEMBER 30, 2019

| | Governmental Activities | Business-type Activities | Total |
|--|----------------------------|-----------------------------|--------------|
| Assets | | | |
| Current Assets: | | | |
| Pooled cash and cash equivalents | \$ 5,948,031 | \$ 767,645 | \$ 6,715,676 |
| Accounts receivable, net | 240,493 | 292,647 | 533,140 |
| Total Current Assets | 6,188,524 | 1,060,292 | 7,248,816 |
| Non-Current Assets: | | | |
| Capital assets: | | | |
| Land and construction in progress | 2,205,826 | 750,000 | 2,955,826 |
| Other capital assets, net | 14,190,504 | 9,510,620 | 23,701,124 |
| Total Non-Current Assets | 16,396,330 | 10,260,620 | 26,656,950 |
| Total Assets | 22,584,854 | 11,320,912 | 33,905,766 |
| Deferred Outflows of Resources: | | | |
| Deferred outflows - pensions | 1,375,514 | 75,892 | 1,451,406 |
| Total Deferred Outflows of Resources | 1,375,514 | 75,892 | 1,451,406 |
| Liabilities: | | | |
| Current Liabilities: | | | |
| Accounts payable | 177,715 | 270,991 | 448,706 |
| Wages and benefits payables | 78,242 | -- | 78,242 |
| Unearned revenue | -- | 22,745 | 22,745 |
| Other payables | 21,289 | -- | 21,289 |
| Accrued interest payable | 33,304 | 1,005 | 34,309 |
| Long-term liabilities (due within one year): | | | |
| Bonds, notes, loans, and lease obligations, current | 663,490 | 470,081 | 1,133,571 |
| Compensated absences, current | 9,799 | 151 | 9,950 |
| Total Current Liabilities | 983,839 | 764,973 | 1,748,812 |
| Non-Current Liabilities: | | | |
| Long term liabilities (due in more than one year): | | | |
| Bonds, notes, loans, and lease obligations, noncurrent | 7,347,071 | 8,302,156 | 15,649,227 |
| Net pension liability | 9,547,406 | 466,473 | 10,013,879 |
| Compensated absences, noncurrent | 186,175 | 2,866 | 189,041 |
| Total Non-Current Liabilities | 17,080,652 | 8,771,495 | 25,852,147 |
| Total Liabilities | 18,064,491 | 9,536,468 | 27,600,959 |
| Deferred Inflows of Resources | | | |
| Deferred inflows - pensions | 434,400 | 12,739 | 447,139 |
| Total Deferred Inflows of Resources | 434,400 | 12,739 | 447,139 |
| Net Position | | | |
| Net Investment in Capital Assets | 8,385,769 | 1,488,383 | 9,874,152 |
| Restricted For: | | | |
| Debt service | 902,354 | -- | 902,354 |
| Public works | -- | 359,214 | 359,214 |
| Public safety | 17,804 | -- | 17,804 |
| Unemployment benefits | 45,245 | -- | 45,245 |
| Unrestricted | (3,889,695) | -- | (3,889,695) |
| Total Net Position | \$ 5,461,477 | \$ 1,847,597 | \$ 7,309,074 |

The accompanying notes are an integral part of this statement.

CITY OF BYRAM, MISSISSIPPI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2019

| Functions/Programs | Expenses | Program Revenues | | Governmental Activities | Business-type Activities | Net (Expense) Revenue and Changes in Net Position |
|--|---------------------|----------------------|------------------------------------|-------------------------|--------------------------|---|
| | | Charges for Services | Operating Grants and Contributions | | | Total |
| Primary government: | | | | | | |
| Governmental activities: | | | | | | |
| General government | \$ 1,713,206 | \$ 1,466,293 | \$ 1,174,077 | \$ 927,164 | | \$ 927,164 |
| Public safety | 3,453,452 | -- | -- | (3,453,452) | | (3,453,452) |
| Public works | 2,599,260 | -- | -- | (2,599,260) | | (2,599,260) |
| Culture and recreation | 354,453 | -- | -- | (354,453) | | (354,453) |
| Interest on long-term debt | 254,349 | -- | -- | (254,349) | | (254,349) |
| Total Governmental Activities | <u>8,374,720</u> | <u>1,466,293</u> | <u>1,174,077</u> | <u>(5,734,350)</u> | | <u>(5,734,350)</u> |
| Business-type Activities: | | | | | | |
| Sewer | 1,452,082 | 2,007,497 | -- | -- | \$ 555,415 | 555,415 |
| Total Business-type Activities | <u>1,452,082</u> | <u>2,007,497</u> | <u>--</u> | <u>--</u> | <u>555,415</u> | <u>555,415</u> |
| Total Primary Government | <u>\$ 9,826,802</u> | <u>\$ 3,473,790</u> | <u>\$ 1,174,077</u> | <u>(5,734,350)</u> | <u>555,415</u> | <u>(5,178,935)</u> |
| General Revenues: | | | | | | |
| Intergovernmental / Unrestricted | | | | 3,616,127 | -- | 3,616,127 |
| Property taxes | | | | 3,732,040 | -- | 3,732,040 |
| Road and bridge privilege taxes | | | | 60,308 | -- | 60,308 |
| Other taxes | | | | 6,385 | -- | 6,385 |
| Unrestricted investment income | | | | 64,237 | 11,975 | 76,212 |
| Miscellaneous | | | | 167,398 | -- | 167,398 |
| Total General Revenues | | | | <u>7,646,495</u> | <u>11,975</u> | <u>7,658,470</u> |
| Change in Net Position | | | | <u>1,912,145</u> | <u>567,390</u> | <u>2,479,535</u> |
| Net Position - Beginning, as previously reported | | | | 3,591,659 | 1,212,091 | 4,803,750 |
| Prior Period Adjustment | | | | (42,327) | 68,116 | 25,789 |
| Net Position - Beginning, as restated | | | | <u>3,549,332</u> | <u>1,280,207</u> | <u>4,829,539</u> |
| Net Position - Ending | | | | <u>\$ 5,461,477</u> | <u>\$ 1,847,597</u> | <u>\$ 7,309,074</u> |

The accompanying notes are an integral part of this statement.

CITY OF BYRAM, MISSISSIPPI
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

| | General Fund | Other Governmental Funds | Total Governmental Funds |
|---------------------------------------|---------------------|--------------------------------|--------------------------------|
| Assets: | | | |
| Pooled cash and cash equivalents | \$ 4,865,248 | \$ 1,082,783 | \$ 5,948,031 |
| Receivables | 240,493 | -- | 240,493 |
| Total Assets | <u>\$ 5,105,741</u> | <u>\$ 1,082,783</u> | <u>\$ 6,188,524</u> |
| Liabilities and Fund Balances: | | | |
| Liabilities: | | | |
| Accounts payable | \$ 175,835 | \$ 1,880 | \$ 177,715 |
| Wages and benefits payable | 78,242 | -- | 78,242 |
| Other payables | 21,289 | -- | 21,289 |
| Total Liabilities | <u>275,366</u> | <u>1,880</u> | <u>277,246</u> |
| Fund Balances: | | | |
| Restricted: | | | |
| Unemployment benefits | -- | 45,245 | 45,245 |
| Public safety | -- | 17,804 | 17,804 |
| Debt services | -- | 935,658 | 935,658 |
| Assigned: | | | |
| Marketing | -- | 82,196 | 82,196 |
| Unassigned | <u>4,830,375</u> | <u>--</u> | <u>4,830,375</u> |
| Total Fund Balances | <u>4,830,375</u> | <u>1,080,903</u> | <u>5,911,278</u> |
| Total Liabilities and Fund Balances | <u>\$ 5,105,741</u> | <u>\$ 1,082,783</u> | <u>\$ 6,188,524</u> |

The accompanying notes are an integral part of this statement.

CITY OF BYRAM, MISSISSIPPI

*RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2019*

| | |
|--|---------------------|
| Total fund balances for governmental funds | \$ 5,911,278 |
| Amounts reported for governmental activities in the Statement of Net Position are different because: | |
| Capital assets used in governmental activities are not reported in the funds. | 16,396,330 |
| Liabilities due in one year are not recognized in the funds. | (673,289) |
| Payables for bond principal which are not due in the current period are not reported in the funds. | (7,015,000) |
| Payables for leases principal which are not due in the current period are not reported in the funds. | (332,071) |
| Payables for bond interest which are not due in the current period are not reported in the funds. | (33,304) |
| Payables for compensated absences which are not due in the current period are not reported in the funds. | (186,175) |
| Recognition of the Municipality's proportionate share of the net pension liability is not reported in the funds. | (9,547,406) |
| Deferred Inflows of Resources related to the pension plan are not reported in the funds. | (434,400) |
| Deferred Outflows of Resources related to the pension plan are not reported in the funds. | 1,375,514 |
| Net position of governmental activities | \$ <u>5,461,477</u> |

The accompanying notes are an integral part of this statement.

CITY OF BYRAM, MISSISSIPPISTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

| | General Fund | Other Governmental Funds | Total Governmental Funds |
|---|---------------------|--------------------------------|--------------------------------|
| Revenues: | | | |
| Sales taxes | \$ 3,227,367 | \$ 388,760 | \$ 3,616,127 |
| Property taxes | 3,223,526 | 508,514 | 3,732,040 |
| Licenses and permits | 510,216 | -- | 510,216 |
| Fines and forfeitures | 373,738 | -- | 373,738 |
| Investment income | 53,148 | 11,089 | 64,237 |
| Grants and donations | 2,201 | 20,900 | 23,101 |
| Charges for services | 28,144 | -- | 28,144 |
| Intergovernmental programs | 1,650,878 | 143,927 | 1,794,805 |
| Other | 120,297 | 14,648 | 134,945 |
| Total Revenues | <u>9,189,515</u> | <u>1,087,838</u> | <u>10,277,353</u> |
| Expenditures: | | | |
| Current: | | | |
| General government | 1,482,837 | 15,511 | 1,498,348 |
| Public safety | 4,787,369 | -- | 4,787,369 |
| Public services | 2,125,477 | -- | 2,125,477 |
| Culture and recreation | 274,050 | 61,971 | 336,021 |
| Debt service: | | | |
| Principal | 140,749 | 560,000 | 700,749 |
| Interest | 9,947 | 234,328 | 244,275 |
| Other | -- | 2,250 | 2,250 |
| Total Expenditures | <u>8,820,429</u> | <u>874,060</u> | <u>9,694,489</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>369,086</u> | <u>213,778</u> | <u>582,864</u> |
| Other Financing Sources (Uses): | | | |
| Insurance proceeds | 9,512 | -- | 9,512 |
| Total Other Financing Sources (Uses) | <u>9,512</u> | <u>--</u> | <u>9,512</u> |
| Net Change in Fund Balances | 378,598 | 213,778 | 592,376 |
| Fund Balances - Beginning | 4,451,777 | 867,125 | 5,318,902 |
| Fund Balances - Ending | <u>\$ 4,830,375</u> | <u>\$ 1,080,903</u> | <u>\$ 5,911,278</u> |

The accompanying notes are an integral part of this statement.

CITY OF BYRAM, MISSISSIPPI

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

| | |
|--|---------------------|
| Net change in fund balances - total governmental funds | \$ 592,376 |
| Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because: | |
| Capital outlays are not reported as expenses in the SOA. | 2,293,790 |
| The depreciation of capital assets used in governmental activities is not reported in the funds. | (799,957) |
| Trade-in or disposal of capital assets decrease net position in the SOA but not in the funds. | (15,724) |
| Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA. | 560,000 |
| Repayment of leases principal is an expenditure in the funds but is not an expense in the SOA. | 140,749 |
| (Increase) decrease in accrued interest from beginning of period to end of period. | (7,824) |
| Compensated absences are reported as the amount earned in the SOA but as the amount paid in the funds. | (17,663) |
| Pension contributions made after the measurement date but in current FY were de-expended & reduced NPL. | 170,113 |
| The Municipality's share of the unrecognized deferred inflows and outflows for the pension plan was amortized. | 421,033 |
| Pension expense relating to GASB 68 is recorded in the SOA but not in the funds. | (1,424,748) |
| Change in net position of governmental activities | \$ <u>1,912,145</u> |

The accompanying notes are an integral part of this statement.

CITY OF BYRAM, MISSISSIPPI

STATEMENT OF NET POSITION
 ENTERPRISE FUNDS
 SEPTEMBER 30, 2019

| | Enterprise Fund Sewer Fund |
|--|-------------------------------------|
| Assets | |
| Current Assets: | |
| Cash and cash equivalents | \$ 767,645 |
| Receivables (net of allowances for uncollectibles) | 292,647 |
| Total Current Assets | 1,060,292 |
| Non-current Assets: | |
| Land and construction in progress | 750,000 |
| Capital assets (net of accumulated depreciation) | 9,510,620 |
| Total Non-current Assets | 10,260,620 |
| Total Assets | 11,320,912 |
| Deferred Outflows of Resources | |
| Deferred outflows - pensions | 75,892 |
| Total Deferred Outflows of Resources | 75,892 |
| Liabilities | |
| Current Liabilities: | |
| Accounts payable | 270,991 |
| Interest payable | 1,005 |
| Unearned revenue | 22,745 |
| Bonds, loans, and lease obligations, current | 470,081 |
| Compensated absences - current | 151 |
| Total Current Assets | 764,973 |
| Non-current Liabilities: | |
| Notes, loans, and lease obligations, noncurrent | 8,302,156 |
| Compensated absences - non-current | 2,866 |
| Net pension liability | 466,473 |
| Total Non-current Liabilities | 8,771,495 |
| Total Liabilities | 9,536,468 |
| Deferred Inflows of Resources | |
| Deferred inflows - pensions | 12,739 |
| Total Deferred Inflows of Resources | 12,739 |
| Net Position | |
| Net investment in capital assets | 1,488,383 |
| Restricted for Public Works | 359,214 |
| Total Net Position | \$ 1,847,597 |

The accompanying notes are an integral part of this statement.

CITY OF BYRAM, MISSISSIPPISTATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION - ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

| | Enterprise Fund Sewer Fund |
|--|-------------------------------------|
| Operating Revenues: | |
| Charges for services | \$ 2,007,497 |
| Total Operating Revenues | <u>2,007,497</u> |
| Operating Expenses: | |
| Personal services - salaries and wages | 166,208 |
| Personal services - employee benefits | 107,559 |
| Purchased professional and technical services | 456,892 |
| Supplies | 203,422 |
| Depreciation | 300,368 |
| Miscellaneous | 700 |
| Total Operating Expenses | <u>1,235,149</u> |
| Operating Income | <u>772,348</u> |
| Non-Operating Revenues (Expenses): | |
| Interest revenue | 11,975 |
| Debt service interest | (216,933) |
| Total Non-operating Revenues (Expenses) | <u>(204,958)</u> |
| Net income | <u>567,390</u> |
| Net Position - Beginning, as previously reported | 1,212,091 |
| Prior Period Adjustment | 68,116 |
| Net Position - Beginning, as restated | <u>1,280,207</u> |
| Net Position - Ending | <u>\$ 1,847,597</u> |

The accompanying notes are an integral part of this statement.

CITY OF BYRAM, MISSISSIPPI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

| | Enterprise Fund Sewer Fund |
|--|-------------------------------------|
| Cash Flows from Operating Activities: | |
| Cash Received from Customers | \$ 1,776,210 |
| Cash Payments to Employees for Services | (291,811) |
| Cash Payments to Other Suppliers for Goods and Services | (702,758) |
| Other Operating Cash Receipts (Payments) | (700) |
| Net Cash Provided (Used) by Operating Activities | <u>780,941</u> |
| Cash Flows from Capital and Related Financing Activities: | |
| Principal and Interest Paid | (522,408) |
| Acquisition or Construction of Capital Assets | (691,330) |
| Net Cash Provided (Used) for Capital & Related Financing Activities | <u>(1,213,738)</u> |
| Cash Flows from Investing Activities: | |
| Interest and Dividends on Investments | 11,975 |
| Net Cash Provided (Used) for Investing Activities | <u>11,975</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | (420,822) |
| Cash and Cash Equivalents at Beginning of Year | 1,188,467 |
| Cash and Cash Equivalents at End of Year | <u>\$ 767,645</u> |
| Reconciliation of Operating Income to Net Cash Provided by Operating Activities: | |
| Operating Income (Loss) | \$ 772,348 |
| Adjustments to Reconcile Operating Income to Net Cash | |
| Provided by Operating Activities | |
| Depreciation | 300,368 |
| Change in Assets, Deferred Outflows of Resources, Liabilities and Deferred Inflows of Resources: | |
| Decrease (Increase) in Receivables | (231,287) |
| Decrease (Increase) in Deferred Outflows | (8,038) |
| Increase (Decrease) in Deferred Inflows | (10,006) |
| Increase (Decrease) in Interfund Payables | (42,444) |
| Total Adjustments | <u>8,593</u> |
| Net Cash Provided (Used) by Operating Activities | <u>\$ 780,941</u> |

The accompanying notes are an integral part of this statement.

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2019

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

INTRODUCTION

The accounting and reporting framework and the more significant accounting principles and policies of Byram are discussed in subsequent sections of this Note. The remainder of the Notes are organized to provide explanations, including required disclosures, of the City's financial activities for the fiscal year ended September 30, 2019.

The accompanying financial statements of the City have been prepared in accordance with accounting principles (GAAP) generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting.

Management's Discussion and Analysis - GASB Statement No. 34 requires that financial statements be accompanied by a narrative introduction and analytical overview of the government's financial activities in the form of management's discussion and analysis (MD&A). This analysis is similar to analysis the private sector provides in their annual reports.

Government-wide Financial Statements - The reporting model includes financial statements prepared using full accrual for all of the government's activities. This approach includes not just current assets and liabilities (such as cash and accounts payable) but also deferred outflows/inflows of resources, capital assets and long-term liabilities (such as buildings and infrastructure, including bridges and roads, and general obligation debt). Accrual accounting also reports all of the revenues and cost of providing services each year, not just those received or paid in the current year or soon after.

Statement of Net Position - The Statement of Net Position is designed to display the financial position of the primary government. Governments will report all capital assets, including infrastructure, in the government-wide Statement of Net Position and will report depreciation expense - the cost of "using up" capital assets - in the Statement of Activities. The net position of a government will be broken down into three categories - 1) net investment in capital assets; 2) restricted; and 3) unrestricted.

Statement of Activities - The government-wide statement of activities reports expenses and revenues in a format that focuses on the cost of each of the government's functions. The expenses of individual functions are compared to the revenues generated by the function (for instance, through user charges or intergovernment grants).

Budgetary Comparison Schedules - Many governments revise their original budgets over the course of the year for a variety of reasons. Budgetary comparison information is required, therefore the government's original budget is compared to the final budget and actual results.

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2019

A. FINANCIAL REPORTING ENTITY

COMPONENT UNITS

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the City is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the City may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. Additionally, GASB Statement No. 80, *Blending Requirements for Certain Component Units*, clarifies the display requirements in GASB Statement No. 14 by requiring these component units to be blended into the primary state and local government's financial statements in a manner similar to a department or activity of the primary government. The City also has no component units, defined by GASB Statements No. 14 and 80 as other legally separate organizations for which the elected Board of Aldermen/Aldermen are financially accountable. There are no other primary governments with which the City has a significant relationship.

RELATED ORGANIZATIONS

The City of Byram did not have any related organizations for the year ended September 30, 2019.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements. The government-wide financial statements (within the basic financial statements) categorize primary activities as governmental and business type. In the Government-wide Statement of Net Position, the governmental and business-type activities columns are presented on full accrual basis and use the economic resources measurement focus, which incorporates long-term assets, deferred outflows of resources and receivables as well as long-term debt, deferred inflows of resources and obligations.

The government-wide Statement of Activities reflects both the gross and net costs per functional category (Public Safety, Public Works, etc.), which are otherwise being supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. The program revenues must be directly associated with the function (Public Safety, Public Works, etc.). These include charges for some of the services the City provides like permits, licenses, inspection fees that are associated with the particular function. The City does not allocate indirect expenses. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. The net cost (by function) is normally covered by general revenue (property, sales or gas taxes, intergovernmental revenues, interest income, etc.).

City of Byram, Mississippi

Notes to the Financial Statements For the Year Ended September 30, 2019

This government-wide focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The fund financial statements emphasize the major funds. Non-major funds (by category) are summarized into a single column.

The governmental funds major fund statements in the fund financial statements are presented on current financial resources measurement focus and modified accrual basis of accounting. This is the manner in which the funds are normally budgeted. This presentation is deemed most appropriate to (a) demonstrate legal and covenant compliance, (b) demonstrate the source and use of liquid resources, and (c) demonstrate how the City's actual experience conforms to the budget fiscal plan. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the page following each statement, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental column of the government-wide presentation.

The focus of the Statement No. 34 model is on the City as a whole. The focus of the fund financial statements is on the major individual funds of the governmental activities and the proprietary fund. Each presentation provides valuable information that can be analyzed and compared (between years and between governments) to enhance the usefulness of the information.

C. BASIS OF PRESENTATION

Statement No. 34 sets forth minimum criteria (percentage of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. Funds that meet these criteria are labeled as such. The nonmajor funds are combined in a column in the fund financial statements and detailed in the combining statements in the supplementary information section of this report.

1. Major Governmental Funds

The measurement focus of the governmental funds (in the Fund Financial Statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income.

The following is a description of the major governmental fund of the City:

General Fund - The General Fund is the general operating fund of the City. General Tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. General operating expenses, fixed charges, and capital improvement costs not paid through other funds are paid from this fund.

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2019

2. Proprietary Fund

Enterprise Fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The following is a description of the major proprietary fund of the City:

Sewer Fund - This enterprise fund is financed with public improvement funds and accounts for resources and expenses related to the construction of eligible pollution control projects.

3. Non-Current Governmental Assets and Liabilities

GASB Statement No. 34 provides for the capital assets and long-term debt records to be maintained and incorporates the information into the governmental column in the government-wide Statement of Net Position.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using the current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet in the fund statements. Long-term assets and long-term liabilities are included in the government-wide statements. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The government-wide statement of net position, statement of activities, and proprietary fund are accounted for using the economic resources measurement focus. With this measurement focus, all assets, deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these activities are included on the Statement of Net Position.

The fund financial statements are maintained on the modified accrual basis of accounting. Under this method of accounting, revenues are recognized in the period in which they become measurable and available. With respect to real and personal property tax revenue and other local taxes, the term "available" is limited to collection within sixty days of the fiscal year end. Levies that are made prior to the fiscal year end, but are not available, are deferred. Interest income is recorded as earned.

City of Byram, Mississippi

Notes to the Financial Statements For the Year Ended September 30, 2019

Federal and State reimbursement type grants are recorded as revenue when related eligible expenditures are met. Expenditures, other than accrued interest on long-term debt, are recorded when the fund liability is incurred. All other revenue items reported in the fund financial statements are considered “available” when the cash is received by the City one year after its fiscal year.

Franchise and utility taxes, state revenue sharing, charges for services, and fines and forfeitures associated with the current period are considered to be susceptible to accrual and therefore have been recognized as revenues of the current fiscal period.

Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims, and judgments, are recorded only when payment is due.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, and then unrestricted resources as they are needed.

E. ENCUMBRANCES

An encumbrance system is maintained to account for commitments resulting from approved purchase orders, work orders and contracts. All encumbrances lapse at year-end; accordingly, no encumbrances were outstanding at September 30, 2019.

F. BUDGETS AND BUDGETARY INFORMATION

The budget is adopted annually by the Mayor and the Board of Aldermen/Aldermwomen, and subsequent amendments are made during the year on the approval of the Mayor and Board or, when allowed, upon authority of City’s management, as described in the following paragraphs.

All funds of the City of Byram, Mississippi, governmental and enterprise, are budgeted, and are presented in either the required supplementary information or in schedules in the other supplementary information section. For comparison purposes, the final, amended budget is utilized, and it is presented on a modified cash basis of accounting as required by the State of Mississippi, which is not consistent with generally accepted accounting principles. All budgetary appropriations lapse at year-end.

The legal level of control, that is the level on which actual expenditures may not legally exceed appropriations, is the major expenditure classifications within departments. Such classifications are Personnel Services, Supplies, Other Services and Capital Outlay/Debt Services.

All amendments to the budget to the legal level of control must be approved by the City of Byram’s Mayor and Board of Aldermen/Aldermwomen. Management is allowed to reclassify, without governing body approval, any budget “line items”; that is, amounts below the legal level of control.

City of Byram, Mississippi

Notes to the Financial Statements For the Year Ended September 30, 2019

The expenditure budget adopted and approved by the duly elected members of the governing authority of the City of Byram is the appropriation ordinance of said municipality.

As allowed by statute, the expenditure budget was amended and approved by the duly elected members of the governing authority of the City of Byram. Such amendments are included in the reported budgetary data.

G. UNEARNED REVENUE

In the government-wide and proprietary fund financial statements, unearned revenues are recognized when assets are received prior to being earned. Unearned revenues are also recognized in the governmental funds financial statements, which are recognized when revenues are unavailable.

H. FUND BALANCES

Fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Governmental fund balance is classified as nonspendable, restricted, committed, assigned or unassigned. Following are descriptions of fund classifications used by the City:

Nonspendable fund balance includes items that cannot be spent. This includes activity that is not in a spendable form (inventories, prepaid amounts, long-term portion of loans/notes receivable, or property held for resale unless the proceeds are restricted, committed, or assigned) and activity that is legally or contractually required to remain intact. Currently there is no nonspendable fund balance for this City.

Restricted fund balance includes amounts that have constraints placed upon the use of the resources either by an external party or imposed by law through a constitutional provision or enabling legislation.

Committed fund balance includes amounts that can be used only for the specific purposes pursuant to constraints imposed by a formal action of the Board of Aldermen/Alderswomen, the City's highest level of decision-making authority. Currently there is no committed fund balance for this City.

Assigned fund balance includes amounts that are constrained by the City's intent to be used for a specific purpose, but are neither restricted nor committed. For governmental funds, other than the general fund, this is the residual amount within the fund that is not restricted or committed. Assignments of fund balance are created by the Director of Finance pursuant to authorization established by the policy adopted by the City.

City of Byram, Mississippi

Notes to the Financial Statements For the Year Ended September 30, 2019

Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it may be necessary to report a negative unassigned fund balance.

Fund Balance Flow Assumption:

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) resources are available, it is the City's general policy to use restricted resources first. When expenditures are incurred for purposes for which unrestricted (committed, assigned and unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the City's general policy to spend committed resources first, followed by assigned amounts, and then unassigned amounts.

I. CASH AND OTHER DEPOSITS AND CASH EQUIVALENTS

The City deposits excess funds in the financial institutions selected by the Mayor and Board of Aldermen/Alderwomen in accordance with state statutes.

Cash consists of amounts on deposit with a financial institution in non-interest bearing accounts. Other deposits consist of interest-bearing demand accounts, saving accounts and certificates of deposit. Cash and other deposits are valued at cost.

Various restrictions on deposits are imposed by state statutes. The collateral for public entities' deposits in financial institutions is held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by section 27-105-5, Miss. Code Ann. (1972). Under this program, the entity's funds are protected through a collateral pool administered by the State Treasurer.

For purposes of the combined statement of cash flows, the municipality considers to be cash equivalents all highly liquid investments and certificates of deposit if they have a maturity of three months or less when acquired.

J. INVESTMENTS

The City is allowed, by statute, to invest excess funds in any bonds or other direct obligations of the United States of America or the State of Mississippi, or of any county or municipality of this state, when such county or municipal bonds have been properly approved; or in interest-bearing time deposits with any financial institution approved for the deposit of state funds. The interest earned is reported in the fund reporting the investment. Investments are reported at fair value.

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2019

K. ACCOUNTS RECEIVABLE

Accounts Receivable are reported in the government-wide Statement of Net Position and the governmental funds Balance Sheet net of allowances for uncollectible receivables.

L. INTERFUND TRANSACTIONS AND BALANCES

In general, eliminations have been made to minimize the double-counting of internal activity. However, interfund services, provided and used between different functional categories, have not been eliminated in order to avoid distorting the direct costs and program revenues of the applicable functions. Transfers between governmental and business-type activities are reported at the net amount on the government-wide financial statements.

In the fund financial statements, transactions for services rendered by one fund to another are treated as revenues of the recipient fund and expenditures/expenses of the disbursing fund. Reimbursements of the expenditures/expenses made by one fund for another are recorded as expenditures/expenses in the reimbursing fund and as a reduction of expenditures in the reimbursed fund. Transfers represent flows of assets between funds of the primary government without equivalent flows of assets in return and without a requirement for payment.

Interfund receivables and payables have been eliminated from the government-wide Statement of Net Position, except for the residual amounts due between governmental and business-type activities.

M. NET POSITION

Equity is classified as Net Position and displayed in three components:

1. Net investment in capital assets - Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings attributable to the acquisition, construction or improvements of those assets.
2. Restricted net position - Consists of net position with constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or law through constitutional provisions or enabling legislation.
3. Unrestricted net position - All other net position not meeting the definition of "restricted" or "net investment in capital assets."

Net Position Flow Assumption:

When an expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the City's general policy to use restricted resources first. When expenses are incurred for purposes for which unrestricted resources are available, and amounts in any of these unrestricted classifications could be used, it is the City's general policy to spend restricted

City of Byram, Mississippi

Notes to the Financial Statements For the Year Ended September 30, 2019

resources first, followed by unrestricted amounts.

Certain proceeds from bonds, notes, and loans, as well as resources for debt service payments, court services, and public improvements monies are classified as restricted net position reported on the government-wide Statement of Net Position because their use is limited by applicable bond covenants and restrictions.

The following is a summary of restricted net position in governmental activities:

Restricted For:

| | | |
|-----------------------|----|----------------|
| Unemployment benefits | \$ | 45,245 |
| Public Safety | | 17,804 |
| Debt Services | | 902,354 |
| Total | \$ | <u>965,403</u> |

N. CAPITAL ASSETS

In the governmental funds, the cost incurred for the purchase or construction of capital assets are recorded as capital outlay expenditures.

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at acquisition value at the time received.

Maintenance, repairs, and minor equipment are charged to operations when incurred. Expenses that materially change capacities or extend useful lives are capitalized. Upon sale or retirement of land, buildings, and equipment, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the statement of activities.

All proprietary funds are accounted for on an economic resources measurement focus. This means that all assets and liabilities (whether current or noncurrent) associated with their activity are included on their Statement of Net Position. Their fund equity is reported in the total net position of the Statement of Revenues, Expenses and Changes in Net Position. The capital assets threshold for the proprietary fund is the same as it is for governmental funds which is described in detail below.

The revenues and expenses of proprietary funds are classified as operating and nonoperating. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's primary operations. All other revenues and expenses are reported as nonoperating.

In accordance with GASB Statement No. 34, governmental infrastructure has been capitalized.

City of Byram, Mississippi

Notes to the Financial Statements For the Year Ended September 30, 2019

Capitalization thresholds (dollar value above which assets acquisitions are added to the capital asset account) and estimated useful lives of capital assets are reported in the government-wide statements and proprietary fund. Depreciation is calculated on the straight-line basis for all assets, except land. The following schedule details those thresholds.

Capital asset thresholds are as follows:

| | |
|------------------------------------|----------|
| Land | N/A |
| Infrastructure | N/A |
| Furniture, Vehicles, and Equipment | \$ 5,000 |
| Improvements other than Buildings | \$25,000 |
| Buildings | \$50,000 |
| Building Improvements | \$50,000 |

Estimated useful lives, in years, for depreciable assets are as follows:

| | |
|--|-----------|
| Computer Equipment and Peripherals | 3 years |
| Vehicles and Equipment | 5 years |
| Heavy Equipment (backhoes, dozers, front-end loaders, tractors, etc) | 10 years |
| Furniture and Fixtures | 7 years |
| Improvements other than Buildings | 20 years |
| Buildings | 40 years |
| Infrastructure: | |
| Roads | 20 years |
| Concrete bridges | 50 years |
| Timber bridges | 30 years |
| Manhold | 20 years |
| Pump | 50 years |
| Sewer lines | 100 years |

Salvage Values:

| | |
|------------------------------------|-----|
| Computer Equipment and Peripherals | 1% |
| Furniture | 10% |
| Vehicles and Heavy Equipment | 10% |
| Improvements other than Buildings | 20% |
| Buildings | 20% |
| Roads | 30% |
| Bridges | 0% |

O. COMPENSATED ABSENCES

Upon termination of employment, the City of Byram provides payment of accrued personal leave over 30 days to the departing employee. While such leave is accumulated from 5 to 20 days each year, depending on length of service, no payment for medical leave is allowed absent the required evidence of such need.

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2019

Unpaid personal leave expected to be paid from the Governmental Funds is reported under Long-term Debt as "Compensated Absences". Similar amounts related to the Proprietary Fund are accrued in the Enterprise Fund. Typically the related Accrued Compensated Absences Expense has been paid from the General Fund and the Sewer Fund.

The respective liabilities are computed utilizing the specific identification method (i.e., each employee's actual accumulated personal leave days are multiplied by the applicable actual per day salary). The City's liability for compensated absences is not recorded in the governmental funds, for such liability may be paid from financial resources not currently available. Compensated absences are reported in governmental funds only if they have matured.

P. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. The City has a deferred outflow which is presented as a deferred outflow for pensions.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until then. The City has a deferred inflow which is presented as a deferred inflow for pensions.

See Note 13 for further details.

2. CASH

The collateral for public entities' deposits in financial institutions is held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27-105-5, Miss. Code Ann. (1972). Under this program, the entity's funds are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation. The City's pooled and non-pooled deposits are categorized to give an indication of the level of risk assumed by the City at fiscal year-end.

The carrying amount of the City's deposits with financial institutions was \$6,715,676 and the bank balance was \$6,938,551.

Custodial Credit Risk - Deposits. Custodial credit risk is defined as the risk that, in the event of a financial institutions failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. As of September 30, 2019, none of the City's bank

City of Byram, Mississippi

Notes to the Financial Statements For the Year Ended September 30, 2019

balance of \$6,938,551 was exposed to custodial credit risk.

3. RECEIVABLES

Accounts receivable at September 30, 2019, consisted of the following:

| | General Fund | Enterprise Fund | Total |
|-------------------|-----------------|--------------------|---------|
| Utility Customers | \$ | 292,647 | 292,647 |
| Other | 240,493 | | 240,493 |
| Total | \$ 240,493 | 292,647 | 533,140 |

4. PROPERTY TAXES

Property held on January 1 of any given year (or brought into the State by March 1 of the same year) is assessed for taxation in the ensuing fiscal year. Such levy, which establishes a lien against the underlying property, is maintained by Hinds County. The assessed value of property on January 1, 2019, upon which the levy was based, was \$84,703,467. The taxes thus assessed are due and payable as follows:

| | | |
|-----------------------------|--------------------|---------------------|
| 1 st installment | (50% of liability) | on or before Feb. 1 |
| 2 nd installment | | on or before May 1 |
| Final installment | | on or before Aug. 1 |

If taxes remain unpaid, the property subject to a tax lien is sold for taxes on the fourth Monday of August. Property taxes receivable reported in the government-wide Statement of Net Position and the governmental funds Balance Sheet represent amounts due for unpaid delinquent property taxes at September 30, 2019. Property taxes that are not considered "available" have been reported as unearned revenues in the governmental funds Balance Sheet.

City of Byram, Mississippi

Notes to the Financial Statements For the Year Ended September 30, 2019

5. CAPITAL ASSETS

| | Balance 10-1-2018 | Additions | Deletions | Completed Construction | Adjustments | Balance 9-30-2019 |
|---|----------------------|-----------|-----------|---------------------------|-------------|----------------------|
| <u>Non-depreciable capital assets:</u> | | | | | | |
| Land | \$ 1,029,718 | | | | | 1,029,718 |
| Construction in progress | 115,179 | 1,394,930 | | (291,674) | (42,327) | 1,176,108 |
| Total non-depreciable capital assets | 1,144,897 | 1,394,930 | 0 | (291,674) | (42,327) | 2,205,826 |
| <u>Depreciable capital assets:</u> | | | | | | |
| Infrastructure | 15,091,906 | 157,088 | | | | 15,248,994 |
| Buildings | 4,357,547 | | | | | 4,357,547 |
| Improvements other than buildings | 143,646 | 513,246 | | 291,674 | | 948,566 |
| Mobile equipment | 2,220,298 | 142,933 | 115,660 | | | 2,247,571 |
| Furniture and equipment | 1,736,281 | 85,593 | 25,262 | | | 1,796,612 |
| Total depreciable capital assets | 23,549,678 | 898,860 | 140,922 | 291,674 | 0 | 24,599,290 |
| <u>Less accumulated depreciation for:</u> | | | | | | |
| Infrastructure | 7,080,514 | 314,176 | | | | 7,394,690 |
| Buildings | 422,041 | 88,997 | | | | 511,038 |
| Improvements other than buildings | 23,208 | 45,370 | | | | 68,578 |
| Mobile equipment | 1,166,563 | 235,857 | 101,712 | | | 1,300,708 |
| Furniture and equipment | 1,041,701 | 115,557 | 23,486 | | | 1,133,722 |
| Total accumulated depreciation | 9,734,027 | 799,957 | 125,198 | 0 | 0 | 10,408,786 |
| Total depreciable capital assets, net | 13,815,651 | 98,903 | 15,724 | 291,674 | 0 | 14,190,504 |
| Governmental activities capital assets, net | \$ 14,960,548 | 1,493,833 | 15,724 | 0 | (42,327) | 16,396,330 |

Adjustments were made to properly present capital assets at year end.

The amount of depreciation expense charged to the respective governmental activities' function in the government-wide Statement of Activities for the period is as follows:

| | Amount |
|----------------------------|------------|
| General Government | \$ 67,286 |
| Culture and Recreation | 2,276 |
| Public Safety | 308,219 |
| Public Works | 422,176 |
| Total depreciation expense | \$ 799,957 |

City of Byram, Mississippi

Notes to the Financial Statements For the Year Ended September 30, 2019

6. LONG - TERM OBLIGATIONS

A. Changes in Long-Term Obligations

The following is a summary of changes in long-term debt:

| | Balance 10-1-2018 | Additions | Reductions | Balance 9-30-2019 | Amounts due within one year |
|-------------------------------------|----------------------|---------------|----------------|----------------------|-----------------------------------|
| Bonds | | | | | |
| Public Improvement | \$ 3,800,000 | | 220,000 | 3,580,000 | 230,000 |
| Tax Increment Financing Bonds | 4,355,000 | | 340,000 | 4,015,000 | 350,000 |
| Total General Obligation Bonds | 8,155,000 | 0 | 560,000 | 7,595,000 | 580,000 |
| Other Long - Term Debt | | | | | |
| Motorola Lease Purchases | 57,449 | | 57,449 | 0 | 0 |
| Caterpillar CB24B Asphalt Compactor | 10,157 | | 3,092 | 7,065 | 7,065 |
| Caterpillar 420F2 Backhoe Loader | 38,191 | | 5,471 | 32,720 | 5,575 |
| Fire Truck Lease | 450,513 | | 74,737 | 375,776 | 70,850 |
| Compensated Absences | 178,311 | 98,860 | 81,197 | 195,974 | 9,799 |
| Total Other Long-Term Debt | 734,621 | 98,860 | 221,946 | 611,535 | 93,289 |
| Total Long-Term Debt | \$ 8,889,621 | 98,860 | 781,946 | 8,206,535 | 673,289 |

B. Currently Outstanding Long-Term Obligations

Other Long-term debt currently outstanding are as follows:

| | Date of Obligation | Date of Maturity | Interest Rate | Original Amount | Balance 9-30-2019 |
|-------------------------------------|-----------------------|---------------------|------------------|----------------------|----------------------|
| Bonds | | | | | |
| Public Improvement | 8/1/12 | 8/1/32 | 2.4 - 3.4% | \$ 5,000,000 | 3,580,000 |
| Tax Increment Financing Bonds | 8/16/17 | 7/1/29 | 3.05% | 4,700,000 | 4,015,000 |
| Total Bonds | | | | 9,700,000 | 7,595,000 |
| Other Long - Term Debt | | | | | |
| Motorola Leases Purchases | 10/1/13 | 10/1/18 | 3.56% | 266,633 | 0 |
| Caterpillar CB24B Asphalt Compactor | 10/13/14 | 10/13/19 | 2.70% | 43,682 | 7,065 |
| Caterpillar 420F2 Backhoe Loader | 12/15/15 | 1/15/21 | 2.05% | 53,063 | 32,720 |
| Fire Truck - Lease | 4/6/18 | 11/1/23 | 2.95% | 450,513 | 375,776 |
| Total Other Long-Term Debt | | | | \$ 813,891 | 415,561 |
| Total Long-Term Debt | | | | \$ 10,513,891 | 8,010,561 |

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2019

C. Summary of Annual Debt Service Requirements To Maturity - Annual Principal & Interest

Bonds

The City issues general obligation bonds and tax increment financing bonds to provide funds for City improvements. These are direct obligations and pledge the full faith and credit of the City. Annual debt service requirements to maturity for general obligation bonds are as follows:

| Year Ending June 30 | | Principal | Interest | Total |
|------------------------|----|------------------|------------------|------------------|
| 2020 | \$ | 580,000 | 216,478 | 796,478 |
| 2021 | | 595,000 | 197,982 | 792,982 |
| 2022 | | 615,000 | 179,012 | 794,012 |
| 2023 | | 630,000 | 159,398 | 789,398 |
| 2024 | | 655,000 | 140,808 | 795,808 |
| 2025 - 2029 | | 3,570,000 | 1,358,955 | 4,928,955 |
| 2030 - 2032 | | 950,000 | 45,960 | 995,960 |
| Total | \$ | <u>7,595,000</u> | <u>2,298,593</u> | <u>9,893,593</u> |

The amount of bonded debt that can be incurred by the City is limited by state statute. Total outstanding bonded debt during a year can be no greater than 15% of the assessed value of the taxable property within such municipality, according to the last completed assessment for taxation, unless certain conditions, such as set forth in state statutes under Mississippi Code Ann., Section 21-33-303, have been met which increases the bonded debt to no greater than 20% of the assessed value. As of September 30, 2019, the amount of outstanding bonded debt was equal to 7% property assessments of \$106,489,114, computed as follows:

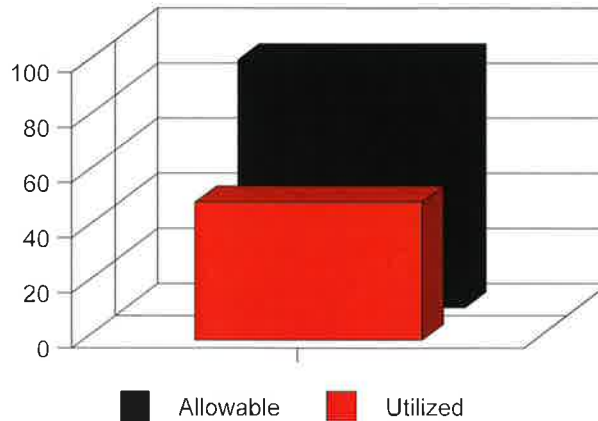
| | |
|----------------------------------|---------------------|
| Bonded Debt: | |
| Bonds | \$ 3,580,000 |
| Enterprise Fund | (5,760,000) |
| Less Excludable Debt: | |
| Enterprise Fund | <u>(5,760,000)</u> |
| Total Debt Subject to Limitation | <u>\$ 3,580,000</u> |
| Assessed Valuation | \$ 106,489,114 |
| Percentage | 3% |

The following is a graphic representation of the bond debt capacity.

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2019

Bond Debt Capacity



Other Long-term Debt

Motorola Lease Purchases

This debt was paid off and retired from the General Fund.

Caterpillar CB24B Asphalt Compactor

Annual debt service requirements to maturity are as follows:

| <u>Original Amount</u> | <u>Issue Date</u> | <u>Maturity Date</u> | | |
|-------------------------------------|-------------------|----------------------|-----------------|--------------|
| \$21,841* | 10/13/14 | 10/13/19 | | |
| <u>Year Ending September 30</u> | | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
| 2020 | \$ | 7,065 | 5 | 7,070 |

* The original issue amount totaled \$43,682 that was split between business-type and governmental funds. This debt will be retired from the General Fund.

Caterpillar 420F2 Backhoe Loader

Annual debt service requirements to maturity are as follows:

| <u>Original Amount</u> | <u>Issue Date</u> | <u>Maturity Date</u> |
|------------------------|-------------------|----------------------|
| \$53,063 | 12/15/15 | 1/15/21 |

City of Byram, Mississippi

Notes to the Financial Statements For the Year Ended September 30, 2019

| <u>Year Ending September 30</u> | | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-------------------------------------|----|------------------|-----------------|--------------|
| 2020 | \$ | 5,575 | 628 | 6,203 |
| 2021 | | 27,145 | 184 | 27,329 |
| Total | \$ | 32,720 | 812 | 33,532 |

This debt is to be retired from the General Fund.

Fire Truck - Lease

Annual debt service requirements to maturity are as follows:

| | | |
|------------------------|-------------------|----------------------|
| <u>Original Amount</u> | <u>Issue Date</u> | <u>Maturity Date</u> |
| \$450,513 | 04/06/18 | 11/01/23 |

| <u>Year Ending September 30</u> | | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-------------------------------------|----|------------------|-----------------|--------------|
| 2020 | \$ | 70,850 | 11,085 | 81,935 |
| 2021 | | 72,940 | 8,995 | 81,935 |
| 2022 | | 75,092 | 6,844 | 81,936 |
| 2023 | | 77,307 | 4,628 | 81,935 |
| 2024 | | 79,587 | 2,348 | 81,935 |
| Total | \$ | 375,776 | 33,900 | 409,676 |

This debt is to be retired from the General Fund.

City of Byram, Mississippi

Notes to the Financial Statements For the Year Ended September 30, 2019

7. BUSINESS-TYPE ACTIVITIES - CAPITAL ASSETS

The following is a summary of the capital assets of the Enterprise Fund at September 30, 2019:

| | Balance 10-1-2018 | Additions | Balance 9-30-2019 |
|--|----------------------|----------------|----------------------|
| <u>Non-depreciable capital assets:</u> | | | |
| Land | \$ 750,000 | | 750,000 |
| Total non-depreciable capital assets | <u>750,000</u> | <u>0</u> | <u>750,000</u> |
| <u>Depreciable capital assets:</u> | | | |
| Infrastructure | 8,678,228 | 653,637 | 9,331,865 |
| Improvements other than buildings | 118,319 | | 118,319 |
| Mobile equipment | 75,627 | | 75,627 |
| Furniture and equipment | <u>1,282,497</u> | <u>37,693</u> | <u>1,320,190</u> |
| Total depreciable capital assets | <u>10,154,671</u> | <u>691,330</u> | <u>10,846,001</u> |
| <u>Less accumulated depreciation for:</u> | | | |
| Infrastructure | 707,579 | 210,226 | 917,805 |
| Improvements other than buildings | 19,694 | 5,388 | 25,082 |
| Mobile equipment | 50,312 | 10,199 | 60,511 |
| Furniture and equipment | <u>257,428</u> | <u>74,555</u> | <u>331,983</u> |
| Total accumulated depreciation | <u>1,035,013</u> | <u>300,368</u> | <u>1,335,381</u> |
| Total depreciable capital assets, net | <u>9,119,658</u> | <u>390,962</u> | <u>9,510,620</u> |
| Business-type activities capital assets, net | <u>\$ 9,869,658</u> | <u>390,962</u> | <u>10,260,620</u> |

City of Byram, Mississippi

Notes to the Financial Statements For the Year Ended September 30, 2019

8. BUSINESS-TYPE ACTIVITIES - LONG-TERM DEBT

The following is a detail of changes in the enterprise fund long-term debt.

| | Balance 10-1-2018 | Additions | Reductions | Balance 9-30-2019 | Amounts due within one year |
|--|----------------------|-----------|------------|----------------------|-----------------------------------|
| General Obligation Bonds | | | | | |
| General Obligation Bond, Series 2015 | \$ 510,000 | | 65,000 | 445,000 | 70,000 |
| Sewer System Revenue Bonds | 5,500,000 | | 185,000 | 5,315,000 | 190,000 |
| Total General Obligation Bonds | 6,010,000 | 0 | 250,000 | 5,760,000 | 260,000 |
| Other Long - Term Debt | | | | | |
| State Revolving Fund (SRF) Sewer Improvements Loan | 2,023,521 | | 132,226 | 1,891,295 | 136,933 |
| State Revolving Fund (SRF) Water Pollution Loan | 488,704 | | 27,862 | 460,842 | 28,353 |
| State Revolving Fund (SRF) Water Pollution Loan | 651,912 | | 31,597 | 620,315 | 32,155 |
| Caterpillar CB24B Asphalt Compactor | 10,236 | | 3,171 | 7,065 | 7,065 |
| Caterpillar 420F2 Backhoe Loader | 38,172 | | 5,452 | 32,720 | 5,575 |
| Compensated Absences | 3,748 | 6,248 | 6,979 | 3,017 | 151 |
| Total Other Long-Term Debt | 3,216,293 | 6,248 | 207,287 | 3,015,254 | 210,232 |
| | \$ 9,226,293 | 6,248 | 457,287 | 8,775,254 | 470,232 |

| | Date of Obligation | Date of Maturity | Interest Rate | Original Amount | Balance 9-30-2019 |
|--|-----------------------|---------------------|------------------|--------------------|----------------------|
| Bonds | | | | | |
| General Obligation Bond, Series 2015 | 9/1/15 | 9/1/25 | 2.1-3.0% | \$ 700,000 | 445,000 |
| Sewer System Revenue Bonds | 3/8/18 | 9/30/38 | 3.375-4.0% | 5,500,000 | 5,315,000 |
| Total General Obligation Bonds | | | | \$ 6,200,000 | 5,760,000 |
| Other Long - Term Debt | | | | | |
| State Revolving Fund (SRF) Sewer Improvements Loan | 9/1/12 | 5/1/32 | 1.75% | 2,750,000 | 1,891,295 |
| State Revolving Fund (SRF) Water Pollution Loan | 5/1/14 | 2/1/34 | 1.75% | 677,082 | 460,842 |
| State Revolving Fund (SRF) Water Pollution Loan | 9/21/16 | 6/1/36 | 1.75% | 708,425 | 620,315 |
| Caterpillar CB24B Asphalt Compactor | 10/13/14 | 10/13/19 | 2.70% | 21,841 | 7,065 |
| Caterpillar 420F2 Backhoe Loader | 12/15/15 | 01/15/21 | 2.05% | 53,062 | 32,720 |
| Total Other Long-Term Debt | | | | \$ 4,210,410 | 3,012,237 |
| Total Long-Term Debt | | | | \$ 10,410,410 | 8,772,237 |

Bonds

Bonds are, as their name implies, general obligations and sewer system revenue of the City of Byram, Mississippi. These are direct obligations and pledge the full faith and credit of the City. Accordingly, such annual debt service requirements to maturity for the City's proprietary fund bond is as follows:

City of Byram, Mississippi

Notes to the Financial Statements For the Year Ended September 30, 2019

| <u>Year Ending June 30</u> | | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------------------|----|------------------|------------------|------------------|
| 2020 | \$ | 260,000 | 209,254 | 469,254 |
| 2021 | | 270,000 | 199,974 | 469,974 |
| 2022 | | 280,000 | 190,224 | 470,224 |
| 2023 | | 290,000 | 180,074 | 470,074 |
| 2024 | | 300,000 | 169,374 | 469,374 |
| 2025 - 2029 | | 1,355,000 | 683,394 | 2,038,394 |
| 2030 - 2034 | | 1,535,000 | 430,588 | 1,965,588 |
| 2035 - 2038 | | 1,470,000 | 136,676 | 1,606,676 |
| Total | \$ | <u>5,760,000</u> | <u>2,199,558</u> | <u>7,959,558</u> |

This debt will be paid from the Sewer Fund.

Other Long-Term Debt

State Revolving Fund (SRF) Sewer Improvements loan:

| <u>Original Amount</u> | <u>Issue Date</u> | <u>Maturity Date</u> | <u>Interest Rate</u> |
|------------------------|-------------------|----------------------|----------------------|
| \$2,750,000 | 9/1/12 | 5/1/32 | 1.75% |

| <u>Year Ending June 30</u> | | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------------------|----|------------------|-----------------|------------------|
| 2020 | \$ | 136,933 | 32,022 | 168,955 |
| 2021 | | 136,933 | 29,648 | 166,581 |
| 2022 | | 139,349 | 27,232 | 166,581 |
| 2023 | | 141,807 | 24,774 | 166,581 |
| 2024 | | 144,308 | 22,273 | 166,581 |
| 2025 - 2029 | | 760,638 | 72,266 | 832,904 |
| 2030 - 2032 | | 431,327 | 10,515 | 441,842 |
| Total | \$ | <u>1,891,295</u> | <u>218,730</u> | <u>2,110,025</u> |

This debt will be paid from the Sewer Fund.

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2019

State Revolving Fund (SRF) Water Pollution Loan:

| <u>Original Amount</u> | <u>Issue Date</u> | <u>Maturity Date</u> | <u>Interest Rate</u> |
|------------------------|-------------------|----------------------|----------------------|
| \$677,082 | 5/1/14 | 2/1/34 | 1.75% |

| Year Ending June 30 | | Principal | Interest | Total |
|------------------------|----|-----------|----------|---------|
| 2020 | \$ | 28,353 | 7,838 | 36,191 |
| 2021 | | 28,853 | 7,338 | 36,191 |
| 2022 | | 29,362 | 6,829 | 36,191 |
| 2023 | | 29,880 | 6,311 | 36,191 |
| 2024 | | 30,407 | 5,784 | 36,191 |
| 2025 - 2029 | | 160,273 | 20,681 | 180,954 |
| 2030 - 2034 | | 153,714 | 6,128 | 159,842 |
| Total | \$ | 460,842 | 60,909 | 521,751 |

Full line of credit (\$677,082) has yet to be drawn. Loan will capitalize upon completion of draws made from line of credit.

This debt will be retired from the Sewer Fund.

State Revolving Fund (SRF) Water Pollution Loan:

| <u>Original Amount</u> | <u>Issue Date</u> | <u>Maturity Date</u> | <u>Interest Rate</u> |
|------------------------|-------------------|----------------------|----------------------|
| \$708,425 | 9/21/16 | 6/1/36 | 1.75% |

| Year Ending June 30 | | Principal | Interest | Total |
|------------------------|----|-----------|----------|---------|
| 2020 | \$ | 32,155 | 10,598 | 42,753 |
| 2021 | | 32,722 | 10,031 | 42,753 |
| 2022 | | 33,299 | 9,454 | 42,753 |
| 2023 | | 33,887 | 8,867 | 42,754 |
| 2024 | | 34,484 | 8,269 | 42,753 |
| 2025 - 2029 | | 181,765 | 32,001 | 213,766 |
| 2030 - 2034 | | 198,372 | 16,527 | 214,899 |
| 2035 - 2036 | | 73,631 | 52 | 73,683 |
| Total | \$ | 620,315 | 95,799 | 716,114 |

This debt will be retired from the Sewer Fund.

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2019

Caterpillar CB24B Asphalt Compactor

Annual debt service requirements to maturity are as follows:

| <u>Original Amount</u> | <u>Issue Date</u> | <u>Maturity Date</u> | <u>Interest Rate</u> |
|-------------------------------------|-------------------|----------------------|----------------------|
| \$21,841* | 10/13/14 | 10/13/19 | 2.70% |
| <u>Year Ending September 30</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
| 2020 | \$ 7,065 | 5 | 7,070 |

* The original issue amount totaled \$43,682 that was split between business-type and governmental funds. This debt will be retired from the Sewer Fund.

Caterpillar 420F2 Backhoe Loader

Annual debt service requirements to maturity are as follows:

| <u>Original Amount</u> | <u>Issue Date</u> | <u>Maturity Date</u> | <u>Interest Rate</u> |
|-------------------------------------|-------------------|----------------------|----------------------|
| \$53,062 | 12/15/15 | 1/15/21 | 2.05% |
| <u>Year Ending September 30</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
| 2020 | \$ 5,575 | 628 | 6,203 |
| 2021 | 27,145 | 184 | 27,329 |
| Total | \$ 32,720 | 812 | 33,532 |

This debt will be retired from the Sewer Fund.

9. DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan Description. The City of Byram, Mississippi contributes to the Public Employees' Retirement System of Mississippi (PERS), a cost-sharing, multiple-employer, defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Plan provisions and the Board of Trustees' authority to determine contribution rates are established by Miss. Code Ann. Section 25-11-1 et seq., (1972, as amended) and may be amended only by the State of Mississippi Legislature. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Public Employees' Retirement System, PERS Building, 429 Mississippi Street, Jackson, MS 39201-1005 or by calling 1-800-444-PERS.

City of Byram, Mississippi

Notes to the Financial Statements For the Year Ended September 30, 2019

Benefits provided. Membership in PERS is a condition of employment granted upon hiring for qualifying employees and officials of the State of Mississippi, state universities, community and junior colleges, and teachers and employees of the public school districts. For those persons employed by political subdivisions and instrumentalities of the State of Mississippi, membership is contingent upon approval of the entity's participation in PERS by the PERS' Board of Trustees. If approved, membership for the entity's employees is a condition of employment and eligibility is granted to those who qualify upon hiring. Participating members who are vested and retire at or after age 60 or those who retire regardless of age with at least 30 years of creditable service (25 years of creditable service for employees who became members of PERS before July 1, 2011) are entitled, upon application, to an annual retirement allowance payable monthly for life in an amount equal to 2.0 percent of their average compensation for each year of creditable service up to and including 30 years (25 years for those who became members of PERS before July 1, 2011), plus 2.5 percent for each additional year of creditable service with an actuarial reduction in the benefit for each year of creditable service below 30 years or the number of years in age that the member is below 65, whichever is less. Average compensation is the average of the employee's earnings during the four highest compensated years of creditable service. Benefits vest upon completion of eight years of membership service (four years of membership service for those who became members of PERS before July 1, 2007). PERS also provides certain death and disability benefits. A Cost-of-Living Adjustment (COLA) payment is made to eligible retirees and beneficiaries. The COLA is equal to 3.0 percent of the annual retirement allowance for each full fiscal year of retirement up to the year in which the retired member reaches age 60 (55 for those who became members of PERS before July 1, 2011), with 3.0 percent compounded for each fiscal year thereafter. Plan provisions are established and may be amended only by the State of Mississippi Legislature.

Contributions. At September 30, 2019, PERS members were required to contribute 9% of their annual covered salary, and the City is required to contribute at an actuarially determined rate. The employer's rate at September 30, 2019 was 17.40% of annual covered payroll. The contribution requirements of PERS members and employers are established and may be amended only by the State of Mississippi Legislature. The City's contributions (employer share only) to PERS for the years ending September 30, 2019, 2018 and 2017 were \$618,164, \$536,668, and \$508,408, respectively, equal to the required contributions for each year.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At September 30, 2019, the City reported a liability of \$10,013,879 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contribution to the pension plan relative to projected contributions of all participating entities, actuarially determined. The City's proportionate share used to calculate the September 30, 2019 net pension liability was 0.056923 percent, which was based on a measurement date of June 30, 2019. This was an increase of 0.00444 percent from its proportionate share used to calculate the September 30, 2018 net pension liability, which was based on a measurement date of June 30, 2018.

City of Byram, Mississippi

Notes to the Financial Statements For the Year Ended September 30, 2019

For the year ended September 30, 2019, the City recognized pension expense of \$1,489,864. At September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|-----------------------------------|----------------------------------|
| Differences between expected and actual experience | \$ 5,462 | 9,434 |
| Net difference between projected and actual earnings on pension plan investments | 182,874 | |
| Changes of assumptions | 97,989 | |
| Changes in proportion and differences between City contributions and proportionate share of contributions | 987,193 | 437,705 |
| City contributions subsequent to the measurement date | 177,888 | |
| Total | <u>\$ 1,451,406</u> | <u>447,139</u> |

\$177,888 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability in the year ended September 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| | |
|---------------------------|-------------------|
| Year Ending September 30: | |
| 2020 | \$ 420,311 |
| 2021 | 179,388 |
| 2022 | 180,964 |
| 2023 | 45,716 |
| Total | <u>\$ 826,379</u> |

Actuarial assumptions. The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|---|
| Inflation | 2.75 percent |
| Salary increases | 3.00 – 18.25 percent, including inflation |
| Investment rate of return | 7.75 percent, net of pension plan investment expense, including inflation |

Mortality rates were based on the PubS.H-2010(B) Retiree Table with the following adjustments. For males 112% of male rates from ages 18 to 75 scaled down to 105% for ages 80 to 119. For females 85% of the female rates from ages 18 to 65 scaled up to 102% for ages 75 to 119. Mortality rates will be projected generationally using the MP-2018 projection scale to account for future improvements in life expectancy.

City of Byram, Mississippi

Notes to the Financial Statements For the Year Ended September 30, 2019

The actuarial assumptions are based on the experience investigation for the four-year period ending June 30, 2018.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|----------------------|--------------------------|---|
| Domestic Equity | 27.00 % | 4.90% |
| International Equity | 22.00 | 4.75 |
| Global Equity | 12.00 | 5.00 |
| Debt Securities | 20.00 | 1.50 |
| Real Estate | 10.00 | 4.00 |
| Private Equity | 8.00 | 6.25 |
| Cash Equivalents | 1.00 | 0.25 |
| Total | 100.00 % | |

Discount rate. The discount rate used to measure the total pension liability was 7.75 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate (9.00%) and that employer contributions will be made at the current employer contribution rate (17.40%). Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity to the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

| | <u>1% Decrease (6.75%)</u> | <u>Current Discount Rate (7.75%)</u> | <u>1% Increase (8.75%)</u> |
|---|--------------------------------|--|--------------------------------|
| City's proportionate share of the net pension liability | \$ 13,163,591 | \$ 10,013,879 | \$ 7,414,074 |

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

10. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Except as described

City of Byram, Mississippi

Notes to the Financial Statements For the Year Ended September 30, 2019

below, the City carries commercial insurance for these risks. Settled claims resulting from these insured risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The City finances its exposure to risk of loss related to workers' compensation for injuries to its employees through the Mississippi Public Entity Workers' Compensation Trust, a public entity risk pool. The City pays premiums to the pool for its workers' compensation insurance coverage, and the participation agreement provides that the pool will be self-sustaining through member premiums. The retention for the pool is \$1,000,000 for each accident and completely covers statutory limits set by the Workers' Compensation Commission. Risk of loss is remote for claims exceeding the pool's retention liability. However, the pool also has catastrophic reinsurance coverage for statutory limits above the pool's retention liability. However, the pool also has catastrophe reinsurance coverage for statutory limits above the pool's retention, provided by Safety National Casualty Corporation, effective from January 1, 2019, to January 1, 2020. The pool may make an overall supplemental assessment or declare a refund depending on the loss experience of all the entities it insures. A report can be obtained by accessing the following website: <http://www.mwcc.state.ms.us/> or by writing to the Mississippi Workers' Compensation Commission at PO Box 5300, Jackson, Mississippi 39296-5300.

11. PRIOR PERIOD ADJUSTMENTS

A summary of significant fund balance/Net Position adjustments are as follows:

Exhibit A-2 - Statement of Activities

| <u>Explanation:</u> | <u>Amount</u> |
|---|---------------|
| <u>Governmental Activities:</u> | |
| Adjustments were made to properly present capital assets at year end. | \$ (42,327) |
| <u>Business-Type Activities:</u> | |
| Net effect of prior year errors in recording revenues and expenses. | \$ 68,116 |
| Total | \$ 25,789 |

Exhibit A-8 - Statement of Revenues, Expenses, and Changes in Net Position - Enterprise Fund

| <u>Fund</u> | <u>Explanation</u> | <u>Amount</u> |
|-------------|---|---------------|
| Sewer Fund | Net effect of prior year errors in recording revenues and expenses. | \$ 68,116 |

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2019

12. CONTINGENCIES

Litigation - The City is party to legal proceedings, many of which occur in the normal course of governmental operations. It is not possible at the present time to estimate the outcome or liability, if any, of the City will respect to the various proceedings. However, the City's legal counsel believes that ultimate liability resulting from these lawsuits will not have a material adverse effect on the financial condition of the City.

13. EFFECT OF DEFERRED AMOUNTS IN NET POSITION

The unrestricted net position amount of (\$3,889,695) includes the effect of deferring the recognition of expenses resulting from a deferred outflow from pensions. A portion of the deferred outflow of resources related to pension in the amount of \$177,888 resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2020. The \$1,273,518 balance of deferred outflow of resources, at September 30, 2019, will be recognized in pension expense over the next four years.

The unrestricted net position amount of (\$3,889,695) includes the effect of deferring the recognition of revenues resulting from a deferred inflow from pensions. The \$447,139 balance of deferred inflow of resources, at September 30, 2019 will be recognized as a revenue and will increase the unrestricted net position over the next three years.

14. INSURANCE PROCEEDS

The City of Byram received \$9,512 in insurance proceeds related to repairs to an air conditioner, generator, vehicle and street sign damage during the 2018 - 2019 fiscal year.

15. TAX ABATEMENTS

For the year beginning October 1, 2016, the Governmental Accounting Standards Board (GASB) implemented Statement 77, Tax Abatement Disclosures. This statement requires governmental entities to disclose the reduction in tax revenues resulting from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments and the citizens of those governments.

The City of Byram, Mississippi did not have any tax abatements as of September 30, 2019.

City of Byram, Mississippi

Notes to the Financial Statements
For the Year Ended September 30, 2019

16. OTHER COMMITMENTS

Commitments under construction contracts are described in Note 5.

17. SUBSEQUENT EVENTS

Events that occur after the Statement of Net Position date but before the financial statements are available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the Statement of Net Position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the Statement of Net Position date require disclosure in the accompanying notes. Management of the City of Byram evaluated the activity of the city through the date the financial statements were available to be issued, and determined no subsequent events have occurred requiring disclosure in the notes to the financial statements.

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REQUIRED SUPPLEMENTARY INFORMATION

GENERAL FUND

The general fund is used to account for resources traditionally associated with government which are not required to be accounted for in another fund.

The City maintains one general fund.

City of Byram, Mississippi
General Fund
Budgetary Comparison Schedule
For the Year Ended September 30, 2019

Exhibit B-1

| | Budgeted Amounts | | Actual | Variance with |
|---|------------------|-------------|-------------------|----------------------------------|
| | Original | Final | (Budgetary Basis) | Final Budget Positive (Negative) |
| Revenues: | | | | |
| Sales taxes | \$ 2,405,000 | 3,175,000 | 3,227,367 | 52,367 |
| Property taxes | 3,000,743 | 3,000,743 | 3,223,526 | 222,783 |
| Licenses and permits | 475,500 | 503,500 | 510,216 | 6,716 |
| Fines and forfeitures | 366,125 | 366,125 | 373,738 | 7,613 |
| Investment income | 45,000 | 45,000 | 53,148 | 8,148 |
| Grants and donations | 1,000 | 1,000 | 2,201 | 1,201 |
| Charges for services | 21,000 | 21,000 | 28,144 | 7,144 |
| Intergovernmental programs | 1,071,650 | 1,584,855 | 1,650,878 | 66,023 |
| Other | 125,000 | 125,000 | 120,297 | (4,703) |
| Total Revenues | 7,511,018 | 8,822,223 | 9,189,515 | 367,292 |
| Expenditures: | | | | |
| Current: | | | | |
| General government: | | | | |
| Personnel services | 778,594 | 791,829 | 774,596 | 17,233 |
| Supplies | 52,225 | 52,225 | 42,305 | 9,920 |
| Services | 673,127 | 685,678 | 571,541 | 114,137 |
| Capital outlay/debt service | 26,825 | 114,825 | 94,395 | 20,430 |
| | 1,530,771 | 1,644,557 | 1,482,837 | 161,720 |
| Public safety | | | | |
| Personnel services | 3,922,130 | 4,132,508 | 3,860,981 | 271,527 |
| Supplies | 282,211 | 283,886 | 235,249 | 48,637 |
| Services | 533,420 | 534,205 | 489,447 | 44,758 |
| Capital outlay/debt service | 196,425 | 203,425 | 201,692 | 1,733 |
| | 4,934,186 | 5,154,024 | 4,787,369 | 366,655 |
| Public services | | | | |
| Personnel services | 369,668 | 354,668 | 324,156 | 30,512 |
| Supplies | 143,400 | 143,400 | 116,334 | 27,066 |
| Services | 284,810 | 314,810 | 282,346 | 32,464 |
| Capital outlay/debt service | 1,507,225 | 1,713,225 | 1,402,641 | 310,584 |
| | 2,305,103 | 2,526,103 | 2,125,477 | 400,626 |
| Culture and recreation | | | | |
| Personal services | 104,030 | 104,030 | 100,859 | 3,171 |
| Supplies | 56,600 | 56,600 | 37,325 | 19,275 |
| Services | 52,250 | 79,250 | 60,296 | 18,954 |
| Capital outlay/debt service | 40,000 | 97,000 | 75,570 | 21,430 |
| | 252,880 | 336,880 | 274,050 | 62,830 |
| Debt service: | | | | |
| Principal | 140,487 | 140,487 | 140,505 | (18) |
| Interest | 10,209 | 10,209 | 10,191 | 18 |
| | 150,696 | 150,696 | 150,696 | - |
| Total Expenditures | 9,173,636 | 9,812,260 | 8,820,429 | (991,831) |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (1,662,618) | (990,037) | 369,086 | 1,359,123 |
| Other Financing Sources (Uses): | | | | |
| Insurance proceeds | | | 9,512 | 9,512 |
| Transfers in | 1,901,415 | 1,901,415 | | (1,901,415) |
| Transfers out | (1,943,315) | (3,460,963) | | 3,460,963 |
| Total Other Financing Sources (Uses) | (41,900) | (1,559,548) | 9,512 | 1,569,060 |
| Net Change in Fund Balance | (1,704,518) | (2,549,585) | 378,598 | 2,928,183 |
| Fund Balances - Beginning | 1,704,518 | 2,549,585 | 4,451,777 | 1,902,192 |
| Fund Balances - September 30 | \$ - | - | 4,830,375 | 4,830,375 |

The notes to the required supplementary information are an integral part of this schedule.

City of Byram, Mississippi**Schedule of the City's Proportionate Share of the Net Pension Liability****PERS****Last 10 Fiscal Years***

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---------------|-----------|-----------|-----------|-----------|
| City's proportionate share of the net pension liability | \$ 10,013,879 | 8,729,316 | 8,281,441 | 8,207,459 | 6,645,406 |
| City's proportion of the net pension liability | 0.056923% | 0.052482% | 0.049818% | 0.045948% | 0.042990% |
| City's covered payroll | 3,707,225 | 3,351,479 | 3,195,829 | 2,939,397 | 2,685,752 |
| City's proportionate share of the net pension liability as a percentage of its covered payroll | 270.12% | 260.46% | 259.13% | 279.22% | 247.43% |
| Plan fiduciary net position as a percentage of the total pension liability | 61.59% | 62.54% | 61.49% | 57.47% | 61.70% |

The notes to the required supplementary information are an integral part of this schedule.

* The amounts presented for each fiscal year were determined as of the measurement date of 6/30 of the year prior to the fiscal year presented.

This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB 68 was implemented in FYE 15, and, until a full 10-year trend is compiled, the City has only presented information for the years in which information is available.

City of Byram, Mississippi
Schedule of the City's Contributions
PERS
Last 10 Fiscal Years

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|------------|---------|---------|---------|---------|
| Contractually required contribution | \$ 177,888 | 143,612 | 134,802 | 129,737 | 102,271 |
| Contributions in relation to the contractually required contribution | 177,888 | 143,612 | 134,802 | 129,737 | 102,271 |
| Contribution deficiency (excess) | \$ - | - | - | - | - |
| City's covered payroll | 1,129,448 | 911,822 | 855,886 | 823,727 | 649,340 |
| Contributions as a percentage of covered payroll | 15.75% | 15.75% | 15.75% | 15.75% | 15.75% |

The notes to the required supplementary information are an integral part of this schedule.

This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB 68 was implemented in FYE 15, and, until a full 10-year trend is compiled, the City has only presented information for the years in which information is available.

City of Byram, Mississippi

Notes to the Required Supplementary Information
For the Year Ended September 30, 2019

Budgetary Comparison Schedule

(1) Basis of Presentation

All funds of the City of Byram, Mississippi, governmental and business-type, are budgeted. The funds budgeted are presented in either this section or in the following schedules presented in the other supplementary information of this report. For comparison purposes, the final, amended budget is utilized, and it is presented on a modified cash basis of accounting as required by the State of Mississippi, which is not consistent with generally accepted accounting principles. Although all capital projects have a proposed budget approved for the project length, they have budgets approved on an annual basis. All budgetary appropriations lapse at year-end.

(2) Budget amendments and revisions

The budget is adopted and may be amended by the Board of Aldermen/Alderwomen. A budgetary comparison is presented for the general fund and each special revenue major fund and is presented on a modified cash basis of accounting.

(3) Budget/GAAP Reconciliation

The major differences between the budgetary basis and the GAAP basis are:

1. Revenues are recorded when received in cash (budgetary) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budgetary) as opposed to when susceptible to accrual (GAAP).

City of Byram, Mississippi

Notes to the Required Supplementary Information For the Year Ended September 30, 2019

Pension Schedules

(1) *Changes of assumptions*

2015:

The expectation of retired life mortality was changed to the RP-2014 Healthy Annuitant Blue Collar Table projected to 2016 using Scale BB rather than the RP-2000 Mortality Table, which was used prior to 2015.

The expectation of disabled mortality was changed to the RP-2014 Disabled Retiree Table, rather than the RP-2000 Disabled Mortality Table, which was used prior to 2015.

Withdrawal rates, pre-retirement mortality rates, disability rates and service retirement rates were also adjusted to more closely reflect actual experience.

Assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.

The price inflation and investment rate of return assumptions were changed from 3.50% to 3.00% and 8.00% to 7.75% respectively.

2016:

The assumed rate of interest credited to employee contributions was changed from 3.50% to 2.00%.

2017:

The expectation of retired life mortality was changed to the RP-2014 Healthy Annuitant Blue Collar Mortality Table projected with Scale BB to 2022. Small adjustments were also made to the Mortality Table for disabled lives.

The wage inflation assumption was reduced from 3.75% to 3.25%.

Withdrawal rates, pre-retirement mortality rates, disability rates and service retirement rates were also adjusted to more closely reflect actual experience.

The percentage of active member disabilities assumed to be in the line of duty was increased from 6% to 7%.

2019

The expectation of retired life mortality was changed to the PubS.H-2010(B) Retiree Table with the following adjustments:

For males, 112% of male rates from ages 18 to 75 scaled down to 105% for ages 80 to 119.
For females, 85% of the female rates from ages 18 to 65 scaled up to 102% for ages 75 to 119.

City of Byram, Mississippi

Notes to the Required Supplementary Information (Continued)
For the Year Ended September 30, 2019

Projection scale MP-2018 will be used to project future improvements in life expectancy generationally.

The expectation of disabled mortality was changed to PubT.H-2010 Disabled Retiree for disabled retirees with the following adjustments:

For males, 137% of male rates at all ages.

For females, 115% of female rates at all ages.

Projection scale MP-2018 will be used to project future improvements in life expectancy generationally.

The price inflation assumption was reduced from 3.00% to 2.75%

The wage inflation assumption was reduced from 3.25% to 3.00%.

Withdrawal rates, pre-retirement mortality rates, and service retirement rates were also adjusted to more closely reflect actual experience.

The percentage of active member disabilities assumed to be in the line of duty was increased from 7% to 9%.

(2) *Changes in benefit provisions*

2016:

Effective July 1, 2016, the interest rate on employee contributions shall be calculated based on the money market rate as published by the Wall Street Journal on December 31 of each preceding year with a minimum rate of one percent and a maximum rate of five percent.

(3) *Method and assumptions used in calculations of actuarially determined contributions.*

The actuarially determined contribution rates in the schedule of employer contributions are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported (June 30, 2017 valuation for the June 30, 2019 fiscal year end). The following actuarial methods and assumptions were used to determine the most recent contribution rate reported in that schedule:

| | |
|-------------------------------|---|
| Actuarial cost method | Entry age |
| Amortization method | Level percentage of payroll, open |
| Remaining amortization period | 38.4 years |
| Asset valuation method | 5-year smoothed market |
| Price Inflation | 3.00 percent |
| Salary increase | 3.25 percent to 18.50 percent, including inflation |
| Investment rate of return | 7.75 percent, net of pension plan investment expense, including inflation |

SUPPLEMENTARY INFORMATION

Supplementary information is presented to provide greater detailed information than reported in the preceding financial statements. This information, in many cases, has been spread throughout the report and is brought together here for greater clarity. Financial schedules are not necessary for fair presentation, in order to be in conformity with Generally Accepted Accounting Principles.

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CITY OF BYRAM, MISSISSIPPI
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2019

| | Special Revenue Funds | Debt Service Funds | Total Nonmajor Governmental Funds (See Exhibit A-3) |
|---------------------------------------|-----------------------------|--------------------------|---|
| Assets | | | |
| Pooled cash and cash equivalents | \$ 147,125 | \$ 935,658 | \$ 1,082,783 |
| Total Assets | <u>\$ 147,125</u> | <u>\$ 935,658</u> | <u>\$ 1,082,783</u> |
| Liabilities and Fund Balances: | | | |
| Liabilities: | | | |
| Accounts payable | \$ 1,880 | \$ -- | \$ 1,880 |
| Total Liabilities | <u>1,880</u> | <u>--</u> | <u>1,880</u> |
| Fund Balances: | | | |
| Restricted: | | | |
| Unemployment benefits | 45,245 | -- | 45,245 |
| Public safety | 17,804 | -- | 17,804 |
| Debt services | -- | 935,658 | 935,658 |
| Assigned | | | |
| Marketing | 82,196 | -- | 82,196 |
| Total Fund Balances | <u>145,245</u> | <u>935,658</u> | <u>1,080,903</u> |
| Total Liabilities and Fund Balances | <u>\$ 147,125</u> | <u>\$ 935,658</u> | <u>\$ 1,082,783</u> |

CITY OF BYRAM, MISSISSIPPI

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

| | Special Revenue Funds | Debt Service Funds | Total Nonmajor Governmental Funds (See Exhibit A-5) |
|-----------------------------|-----------------------------|--------------------------|---|
| Revenues: | | | |
| Sales taxes | \$ -- | \$ 388,760 | \$ 388,760 |
| Property taxes | -- | 508,514 | 508,514 |
| Investment income | 1,187 | 9,902 | 11,089 |
| Grants and donations | 20,900 | -- | 20,900 |
| Intergovernmental programs | 94,929 | 48,998 | 143,927 |
| Other | 14,648 | -- | 14,648 |
| Total Revenues | <u>131,664</u> | <u>956,174</u> | <u>1,087,838</u> |
| Expenditures: | | | |
| Current: | | | |
| General government | 7,757 | 7,754 | 15,511 |
| Culture and recreation | 61,971 | -- | 61,971 |
| Debt service: | | | |
| Principal | -- | 560,000 | 560,000 |
| Interest | -- | 234,328 | 234,328 |
| Other | -- | 2,250 | 2,250 |
| Total Expenditures | <u>69,728</u> | <u>804,332</u> | <u>874,060</u> |
| Net Change in Fund Balances | 61,936 | 151,842 | 213,778 |
| Fund Balances - Beginning | 83,309 | 783,816 | 867,125 |
| Fund Balances - Ending | <u>\$ 145,245</u> | <u>\$ 935,658</u> | <u>\$ 1,080,903</u> |

SPECIAL REVENUE FUNDS

The special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted for specific expenditure purposes.

The City maintains the following three (3) special revenue funds to accomplish the afore stated purposes:

1. **Tourism Fund**
2. **Law Enforcement Fund**
3. **Unemployment Fund**

CITY OF BYRAM, MISSISSIPPI
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 SEPTEMBER 30, 2019

| | Tourism Fund | Law Enforcement | Unemployment Fund | Total Nonmajor Special Revenue Funds (See Exhibit C-1) |
|---------------------------------------|------------------|--------------------|----------------------|---|
| Assets: | | | | |
| Pooled cash and cash equivalents | \$ 82,196 | \$ 17,804 | \$ 47,125 | \$ 147,125 |
| Inventories | | | | |
| Total Assets | <u>\$ 82,196</u> | <u>\$ 17,804</u> | <u>\$ 47,125</u> | <u>\$ 147,125</u> |
| Liabilities and Fund Balances: | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ -- | \$ -- | \$ 1,880 | \$ 1,880 |
| Total Liabilities | <u>--</u> | <u>--</u> | <u>1,880</u> | <u>1,880</u> |
| Fund Balances: | | | | |
| Restricted: | | | | |
| Unemployment benefits | -- | -- | 45,245 | 45,245 |
| Public safety | -- | 17,804 | -- | 17,804 |
| Assigned: | | | | |
| Marketing | 82,196 | -- | -- | 82,196 |
| Total Fund Balances | <u>82,196</u> | <u>17,804</u> | <u>45,245</u> | <u>145,245</u> |
| Total Liabilities and Fund Balances | <u>\$ 82,196</u> | <u>\$ 17,804</u> | <u>\$ 47,125</u> | <u>\$ 147,125</u> |

CITY OF BYRAM, MISSISSIPPI

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

| | Tourism Fund | Law Enforcement | Unemployment Fund | Total Nonmajor Special Revenue Funds (See Exhibit C-2) |
|-----------------------------|------------------|--------------------|----------------------|---|
| Revenues: | | | | |
| Investment income | \$ 471 | \$ 185 | \$ 531 | \$ 1,187 |
| Grants and donations | 20,900 | -- | -- | 20,900 |
| Intergovernmental programs | 94,047 | 882 | -- | 94,929 |
| Other | 14,648 | -- | -- | 14,648 |
| Total Revenues | <u>130,066</u> | <u>1,067</u> | <u>531</u> | <u>131,664</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | -- | -- | 7,757 | 7,757 |
| Culture and recreation | 61,971 | -- | -- | 61,971 |
| Total Expenditures | <u>61,971</u> | <u>--</u> | <u>7,757</u> | <u>69,728</u> |
| Net Change in Fund Balances | 68,095 | 1,067 | (7,226) | 61,936 |
| Fund Balances - Beginning | 14,101 | 16,737 | 52,471 | 83,309 |
| Fund Balances - Ending | <u>\$ 82,196</u> | <u>\$ 17,804</u> | <u>\$ 45,245</u> | <u>\$ 145,245</u> |

CITY OF BYRAM, MISSISSIPPI**Exhibit C-5**

Tourism Fund

Special Revenue Fund

Budgetary Comparison Schedule

For the Year Ended September 30, 2019

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|------------------|---------|---------|--|
| | Original | Final | | |
| Revenues: | | | | |
| Investment income | \$ 100 | 100 | 471 | 371 |
| Grants and donations | 17,000 | 17,000 | 20,900 | 3,900 |
| Intergovernmental programs | 87,500 | 87,500 | 94,047 | 6,547 |
| Other | 13,000 | 13,000 | 14,648 | 1,648 |
| Total Revenues | 117,600 | 117,600 | 130,066 | 12,466 |
| Expenditures: | | | | |
| Public safety: | | | | |
| Supplies | 5,500 | 5,500 | | 5,500 |
| Services | 70,250 | 70,250 | 61,971 | 8,279 |
| Total Expenditures | 75,750 | 75,750 | 61,971 | 13,779 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 41,850 | 41,850 | 68,095 | 26,245 |
| Net Change in Fund Balances | 41,850 | 41,850 | 68,095 | 26,245 |
| Fund Balances - Beginning | 10,315 | 14,090 | 14,101 | 11 |
| Fund Balances - Ending | \$ 52,165 | 55,940 | 82,196 | 26,256 |

CITY OF BYRAM, MISSISSIPPI**Exhibit C-6**

Law Enforcement Fund

Special Revenue Fund

Budgetary Comparison Schedule

For the Year Ended September 30, 2019

| | Budgeted Amounts | | Actual | Variance with |
|---|------------------|----------|--------|-------------------------------------|
| | Original | Final | | Final Budget Positive (Negative) |
| Revenues: | | | | |
| Investment income | \$ 100 | 100 | 185 | 85 |
| Intergovernmental programs | | | 882 | 882 |
| Total Revenues | 100 | 100 | 1,067 | 967 |
| Expenditures: | | | | |
| Public safety: | | | | |
| Supplies | 3,500 | 3,500 | | 3,500 |
| Capital outlay | 8,000 | 8,000 | | 8,000 |
| Total Expenditures | 11,500 | 11,500 | - | 11,500 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (11,400) | (11,400) | 1,067 | 12,467 |
| Net Change in Fund Balances | (11,400) | (11,400) | 1,067 | 12,467 |
| Fund Balances - Beginning | 14,100 | 14,100 | 16,737 | 2,637 |
| Fund Balances - Ending | \$ 2,700 | 2,700 | 17,804 | 15,104 |

CITY OF BYRAM, MISSISSIPPI**Exhibit C-7**

Unemployment Fund

Special Revenue Fund

Budgetary Comparison Schedule

For the Year Ended September 30, 2019

| | Budgeted Amounts | | Actual | Variance with Final Budget |
|---|------------------|----------|---------|-------------------------------|
| | Original | Final | | Positive (Negative) |
| Revenues: | | | | |
| Investment income | \$ 100 | 100 | 531 | 431 |
| Total Revenues | 100 | 100 | 531 | 431 |
| Expenditures: | | | | |
| General government: | | | | |
| Supplies | 3,500 | 3,500 | - | 3,500 |
| Services | - | - | 7,757 | (7,757) |
| Capital outlay/debt service | 8,000 | 8,000 | - | 8,000 |
| Total Expenditures | 11,500 | 11,500 | 7,757 | 3,743 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (11,400) | (11,400) | (7,226) | 4,174 |
| Net Change in Fund Balances | (11,400) | (11,400) | (7,226) | 4,174 |
| Fund Balances - Beginning | 14,100 | 14,100 | 52,471 | 38,371 |
| Fund Balances - Ending | \$ 2,700 | 2,700 | 45,245 | 42,545 |

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DEBT SERVICE FUNDS

The Debt Service Funds are used to account for the accumulation of resources and payment of general obligation bond and the tax increment financing bonds principal and interest from governmental resources bond principals which are obligated in some manner for payment.

The City maintains two debt service funds to accomplish the afore stated purpose:

1. 2012 GO Bond & Interest Fund
2. 2017 BTC TIF Bond & Interest Fund

CITY OF BYRAM, MISSISSIPPI
 COMBINING BALANCE SHEET
 NONMAJOR DEBT SERVICE FUNDS
 SEPTEMBER 30, 2019

| | 2012 GO Bond & Interest Fund | 2017 BTC TIF Bond & Interest Fund | Total Nonmajor Debt Service Funds (See Exhibit C-1) |
|---------------------------------------|------------------------------------|---|--|
| Assets: | | | |
| Pooled cash and cash equivalents | \$ 379,276 | \$ 556,382 | \$ 935,658 |
| Inventories | | | |
| Total Assets | <u>\$ 379,276</u> | <u>\$ 556,382</u> | <u>\$ 935,658</u> |
| Liabilities and Fund Balances: | | | |
| Liabilities: | | | |
| Total Liabilities | <u>--</u> | <u>--</u> | <u>--</u> |
| Fund Balances: | | | |
| Restricted: | | | |
| Debt services | 379,276 | 556,382 | 935,658 |
| Total Fund Balances | <u>379,276</u> | <u>556,382</u> | <u>935,658</u> |
| Total Liabilities and Fund Balances | <u>\$ 379,276</u> | <u>\$ 556,382</u> | <u>\$ 935,658</u> |

CITY OF BYRAM, MISSISSIPPI

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

| | 2012 GO Bond & Interest Fund | 2017 BTC TIF Bond & Interest Fund | Total Nonmajor Debt Service Funds (See Exhibit C-2) |
|-----------------------------|------------------------------------|---|--|
| Revenues: | | | |
| Sales taxes | \$ -- | \$ 388,760 | \$ 388,760 |
| Property taxes | 399,437 | 109,077 | 508,514 |
| Investment income | 4,522 | 5,380 | 9,902 |
| Intergovernmental programs | 7,171 | 41,827 | 48,998 |
| Total Revenues | <u>411,130</u> | <u>545,044</u> | <u>956,174</u> |
| Expenditures: | | | |
| Current: | | | |
| General government | 7,754 | -- | 7,754 |
| Debt service: | | | |
| Principal | 220,000 | 340,000 | 560,000 |
| Interest | 101,500 | 132,828 | 234,328 |
| Other | 500 | 1,750 | 2,250 |
| Total Expenditures | <u>329,754</u> | <u>474,578</u> | <u>804,332</u> |
| Net Change in Fund Balances | 81,376 | 70,466 | 151,842 |
| Fund Balances - Beginning | 297,900 | 485,916 | 783,816 |
| Fund Balances - Ending | <u>\$ 379,276</u> | <u>\$ 556,382</u> | <u>\$ 935,658</u> |

CITY OF BYRAM, MISSISSIPPI
2012 GO Bond & Interest Fund
Debt Service Fund
Budgetary Comparison Schedule
For the Year Ended September 30, 2019

Exhibit C-10

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|------------------|---------|---------|--|
| | Original | Final | | |
| Revenues: | | | | |
| Property taxes | \$ 307,000 | 307,000 | 399,437 | 92,437 |
| Investment income | 100 | 100 | 4,522 | 4,422 |
| Intergovernmental programs | 14,523 | 14,523 | 7,171 | (7,352) |
| Total Revenues | 321,623 | 321,623 | 411,130 | 89,507 |
| Expenditures: | | | | |
| General government: | | | | |
| Services | 6,251 | 6,251 | 7,754 | (1,503) |
| Capital outlay/debt service | 323,000 | 323,000 | 322,000 | 1,000 |
| Total Expenditures | 329,251 | 329,251 | 329,754 | (503) |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (7,628) | (7,628) | 81,376 | 89,004 |
| Net Change in Fund Balances | (7,628) | (7,628) | 81,376 | 89,004 |
| Fund Balances - Beginning | 113,623 | 297,900 | 297,900 | - |
| Fund Balances - Ending | \$ 105,995 | 290,272 | 379,276 | 89,004 |

CITY OF BYRAM, MISSISSIPPI
2017 BTC TIF Bond & Interest Fund
Debt Service Fund
Budgetary Comparison Schedule
For the Year Ended September 30, 2019

Exhibit C-11

| | Budgeted Amounts | | Actual | Variance with Final Budget |
|---|------------------|---------|---------|-------------------------------|
| | Original | Final | | Positive (Negative) |
| Revenues: | | | | |
| Sales taxes | \$ 385,000 | 385,000 | 388,760 | 3,760 |
| Property taxes | 85,850 | 85,850 | 109,077 | 23,227 |
| Investment income | 2,000 | 4,500 | 5,380 | 880 |
| Intergovernmental programs | - | - | 41,827 | 41,827 |
| Total Revenues | 472,850 | 475,350 | 545,044 | 69,694 |
| Expenditures: | | | | |
| Public services: | | | | |
| Capital outlay/debt services | 474,578 | 474,578 | 474,578 | - |
| Total Expenditures | 474,578 | 474,578 | 474,578 | - |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (1,728) | 772 | 70,466 | 69,694 |
| Net Change in Fund Balances | (1,728) | 772 | 70,466 | 69,694 |
| Fund Balances - Beginning | 470,790 | 485,790 | 485,916 | 126 |
| Fund Balances - Ending | \$ 469,062 | 486,562 | 556,382 | 69,820 |

ENTERPRISE FUND

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the services to the general public on a continuing basis are financed or recovered primarily through user charges; or where the government's council has decided that periodic determination of net income is appropriate for accountability purposes.

The City of Byram, Mississippi operates the following Enterprise Fund:

Sewer Fund - This enterprise fund is financed with public improvement funds that accounts for resources and expenses with the construction of eligible pollution control projects.

CITY OF BYRAM, MISSISSIPPI

Sewer Fund

Enterprise Fund

Budgetary Comparison Schedule

For the Year Ended September 30, 2019

Exhibit C-12

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|------------------|-----------|-----------|--|
| | Original | Final | | |
| Operating revenues: | | | | |
| Charges for services | \$ 1,901,564 | 1,945,714 | 2,007,497 | 61,783 |
| Total Operating Revenues | 1,901,564 | 1,945,714 | 2,007,497 | 61,783 |
| Operating Expenses | | | | |
| Personal services | 215,244 | 220,169 | 273,767 | (53,598) |
| Services | 379,430 | 588,180 | 456,892 | 131,288 |
| Supplies | 85,750 | 104,600 | 203,422 | (98,822) |
| Depreciation | 1,054,400 | 912,500 | 300,368 | 612,132 |
| Miscellaneous | 255,350 | 255,350 | 700 | 254,650 |
| Total Operating Expenses | 1,990,174 | 2,080,799 | 1,235,149 | 845,650 |
| Operating Income | (88,610) | (135,085) | 772,348 | 907,433 |
| Non-Operating Revenues (Expenses): | | | | |
| Interest revenue | 3,100 | 5,400 | 11,975 | 6,575 |
| Reserves | 404,000 | 404,000 | | (404,000) |
| Debt service interest | (277,784) | (277,784) | (216,933) | 60,851 |
| Total Non-Operating Revenues (Expenses) | 129,316 | 131,616 | (204,958) | (336,574) |
| Net Income (Loss) before Operating Transfers | 40,706 | (3,469) | 567,390 | 570,859 |
| Transfers In | 940,000 | 985,000 | | (985,000) |
| Net Income | 980,706 | 981,531 | 567,390 | (414,141) |
| Net Position - Beginning, as previously reported | 755,601 | 798,601 | 1,212,091 | 413,490 |
| Prior Period Adjustment | | | 68,116 | 68,116 |
| Net Position - Beginning, as restated | 755,601 | 798,601 | 1,280,207 | 481,606 |
| Net Position - Ending | \$ 1,736,307 | 1,780,132 | 1,847,597 | 67,465 |

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OTHER INFORMATION

Schedule D-1

City of Byram, Mississippi
Schedule of Surety Bonds for Municipal Officials
September 30, 2019

| Name | Position | Company | Bond Amount |
|-------------------|--------------------------|-----------------------------|--------------------|
| Richard White | Mayor | Travelers Casualty & Surety | \$ 100,000 |
| Richard Cook | Alderman At Large | Travelers Casualty & Surety | \$ 100,000 |
| Janice Moser | Alderman | Travelers Casualty & Surety | \$ 100,000 |
| Diandra A. Hosey | Alderman | Travelers Casualty & Surety | \$ 100,000 |
| Charlie Campbell | Alderman | Travelers Casualty & Surety | \$ 100,000 |
| Teresa Mack | Alderman | Travelers Casualty & Surety | \$ 100,000 |
| Wanda Smith | Alderman | Travelers Casualty & Surety | \$ 100,000 |
| Paul Moore | Alderman | Travelers Casualty & Surety | \$ 100,000 |
| Angela Richburg | City Clerk | Travelers Casualty & Surety | \$ 50,000 |
| Linda White | Deputy City Clerk | Travelers Casualty & Surety | \$ 50,000 |
| Luke Thompson | Police Chief | Travelers Casualty & Surety | \$ 50,000 |
| Paula Morrison | Court Clerk | Travelers Casualty & Surety | \$ 50,000 |
| Darnishia Norwood | Deputy Court Clerk | Travelers Casualty & Surety | \$ 50,000 |
| Vera Jones | Deputy Court Clerk | Travelers Casualty & Surety | \$ 50,000 |
| Ayn Reed | Executive Assistant | Travelers Casualty & Surety | \$ 50,000 |
| Stacy Gallagher | CID Admin Assistant | Travelers Casualty & Surety | \$ 50,000 |
| Cohn Livingston | Director of Public Works | Travelers Casualty & Surety | \$ 50,000 |
| Kitty Thompson | Compliance Clerk | Travelers Casualty & Surety | \$ 50,000 |
| Hiawatha Stewart | Records Clerk | Travelers Casualty & Surety | \$ 50,000 |
| Gloria Smith | Sewer Billing Clerk | Travelers Casualty & Surety | \$ 50,000 |
| Amy Tharp | Sewer Billing Clerk | Travelers Casualty & Surety | \$ 50,000 |
| Reginald Cooper | Police Officer | Travelers Casualty & Surety | \$ 50,000 |
| Keith Jordan | Police Officer | Travelers Casualty & Surety | \$ 50,000 |
| Jeremy Skipper | Police Officer | Travelers Casualty & Surety | \$ 50,000 |
| Maurice Kendrick | Police Officer | Travelers Casualty & Surety | \$ 50,000 |
| David Errington | Police Officer | Travelers Casualty & Surety | \$ 50,000 |

| | Date of Obligation | Date of Maturity | Interest Rate | Original Amount | Balance October 1, 2018 | Current Year Transactions Reductions | Balance September 30, 2019 |
|---|-----------------------|---------------------|------------------|--------------------|-------------------------------|---|----------------------------------|
| Governmental Activities | | | | | | | |
| Bonds | | | | | | | |
| Public Improvement | 8/1/2012 | 8/1/2032 | 2.4 - 3.4% | 5,000,000 | \$ 3,800,000 | 220,000 | 3,580,000 |
| Tax Increment Financing Bonds | 8/16/2017 | 7/1/2029 | 3.05% | 4,700,000 | 4,355,000 | 340,000 | 4,015,000 |
| Total General Obligation Bonds | | | | | \$ 8,155,000 | 560,000 | 7,595,000 |
| Other Long-Term Debt | | | | | | | |
| Motorola Lease Purchase | 10/1/2013 | 10/1/2018 | 3.56% | 266,633 | \$ 57,449 | 57,449 | - |
| Caterpillar CB24B Asphalt Compactor | 10/13/2014 | 10/13/2019 | 2.70% | 21,841 | 10,157 | 3,092 | 7,065 |
| Caterpillar 420F2 Backhoe Loader | 12/15/2015 | 1/15/2021 | 2.05% | 53,063 | 38,191 | 5,471 | 32,720 |
| Fire Truck - Lease | 4/6/2018 | 11/1/2023 | 2.95% | 450,513 | 450,513 | 74,737 | 375,776 |
| Total Other Long-Term Debt | | | | | \$ 556,310 | 140,749 | 415,561 |
| Total Governmental Long-Term Debt | | | | | \$ 8,711,310 | 700,749 | 8,010,561 |
| Business-Type Activities | | | | | | | |
| Bonds | | | | | | | |
| General Obligation Bonds, Series 2015 | 9/1/2015 | 9/1/2025 | 2.1-3.0% | 700,000 | \$ 510,000 | 65,000 | 445,000 |
| Sewer System Revenue Bonds | 3/8/2018 | 9/30/2038 | 3.375-4.00% | 5,500,000 | 5,500,000 | 185,000 | 5,315,000 |
| Total General Obligation Bonds | | | | | \$ 6,010,000 | 250,000 | 5,760,000 |
| Other Long-Term Debt | | | | | | | |
| State Revolving Fund (SRF) - Sewer Improvements Loan | 9/1/2012 | 5/1/2032 | 1.75% | 2,750,000 | \$ 2,023,521 | 132,226 | 1,891,295 |
| State Revolving Fund (SRF) - Water Pollution Loan | 5/1/2014 | 2/1/2034 | 1.75% | 677,082 | 488,704 | 27,862 | 460,842 |
| State Revolving Fund (SRF) - Water Pollution Loan | 9/21/2016 | 6/1/2036 | 1.75% | 708,425 | 651,912 | 31,597 | 620,315 |
| Caterpillar CB24B Asphalt Compactor | 10/13/2014 | 10/13/2019 | 2.70% | 21,841 | 10,236 | 3,171 | 7,065 |
| Caterpillar 420F2 Backhoe Loader | 12/15/2015 | 1/15/2021 | 2.05% | 53,062 | 38,172 | 5,452 | 32,720 |
| Total Other Long-Term Debt | | | | | \$ 3,212,545 | 200,308 | 3,012,237 |
| Total Business-type Activities Long-Term Debt | | | | | \$ 9,222,545 | 450,308 | 8,772,237 |

City of Byram, Mississippi
Schedule of Expenditure of Federal Awards
For the Year Ended September 30, 2019

Schedule D-3

| <u>Federal Grantor/ Pass-through Grantor/ Program Title</u> | <u>Pass-through Number</u> | <u>Federal CFDA Number</u> | <u>Federal Expenditures</u> |
|---|-----------------------------------|------------------------------------|---------------------------------|
| <u>U.S. Department of Transportation</u> | | | |
| Passed-through the Mississippi Department of Transportation | | | |
| Highway Planning and Construction | STP-7013-00(001)LPA/107609-701000 | 20.205 \$ | 706,966 |
| Total Passed-through the Mississippi Department of Transportation | | | 706,966 |
| Total U.S. Department of Transportation | | | 706,966 |
| <u>U.S. Department of Homeland Security</u> | | | |
| Direct Program: | | | |
| Homeland Security Grant Program | | 97.067 | 39,995 |
| Staffing for Adequate Fire and Emergency Response (SAFER) | | 97.083 | 209,608 |
| Total U.S. Department of Homeland Security | | | 249,603 |
| Total Expenditures of Federal Awards | | \$ | 956,569 |

The notes to other information is an integral part of this schedule.

NOTES TO SCHEDULE

1. Basic of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal awarded activity of the City under programs of the federal government for the year ended September 30, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for the Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the same basis of accounting as the financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

3. Indirect Cost Rate

The City did not elect to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

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III

STATISTICAL SECTION

This part of the City of Byram's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Financial Trends

These schedules contain financial trends information intended to assist the reader in understanding and assessing how a government's financial position has changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the City's ability to generate its own-source revenues-property and sales taxes.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.

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Table 1
General Governmental Expenditures by Function
Last Ten Fiscal Years
(amounts expressed in thousands)

| <u>Fiscal Year</u> | <u>General Government</u> | <u>Public Safety</u> | <u>Public Works</u> | <u>Culture and Recreation</u> | <u>Debt Service</u> | <u>Total</u> |
|------------------------|-------------------------------|--------------------------|-------------------------|---------------------------------------|-------------------------|--------------|
| 2010 | 697,009 | 469,942 | 98,528 | - | - | 1,265,479 |
| 2011 | 993,846 | 2,920,942 | 480,740 | 18,945 | - | 4,414,473 |
| 2012 | 1,553,118 | 3,270,479 | 2,141,366 | 33,049 | 97,700 | 7,095,712 |
| 2013 | 1,271,893 | 3,724,737 | 2,416,541 | 25,437 | 525,722 | 7,964,330 |
| 2014 | 1,115,623 | 5,420,550 | 1,828,814 | 4,062 | 523,933 | 8,892,982 |
| 2015 | 1,108,285 | 3,775,704 | 1,517,235 | 28,667 | 587,817 | 7,017,708 |
| 2016 | 1,401,782 | 4,086,626 | 1,611,844 | 79,731 | 469,145 | 7,649,128 |
| 2017 | 1,377,834 | 3,998,834 | 5,357,676 | 174,552 | 675,171 | 11,584,067 |
| 2018 | 1,382,154 | 4,708,416 | 1,327,832 | 282,342 | 904,497 | 8,605,241 |
| 2019 | 1,498,348 | 4,787,369 | 2,125,477 | 336,021 | 947,274 | 9,694,489 |

City of Byram
Table 2
General Revenues by Source
Last Ten Fiscal Years
(amounts expressed in thousands)

| Fiscal Year | Taxes | Licenses & Permits | Inter- Governmental Revenue | Charges for Services | Fines | Grants & Donations | Interest Earned | Misc. | Total |
|----------------|-------|-----------------------|-----------------------------------|----------------------------|-------|-----------------------|--------------------|-------|--------|
| 2010 | 3,800 | 210 | 144 | 1 | - | - | 19 | 15 | 4,189 |
| 2011 | 4,070 | 386 | 542 | 18 | 163 | - | 43 | 18 | 5,240 |
| 2012 | 4,272 | 385 | 430 | 16 | 379 | 61 | 27 | 19 | 5,589 |
| 2013 | 4,972 | 385 | 1,087 | 24 | 289 | 29 | 28 | 20 | 6,834 |
| 2014 | 4,884 | 444 | 859 | 17 | 401 | 25 | 10 | 33 | 6,674 |
| 2015 | 4,889 | 525 | 551 | 125 | 234 | 34 | 7 | 49 | 6,415 |
| 2016 | 5,514 | 492 | 757 | 27 | 196 | 40 | 5 | 173 | 7,205 |
| 2017 | 6,000 | 485 | 476 | 54 | 351 | - | 6 | 122 | 7,494 |
| 2018 | 6,393 | 508 | 346 | 31 | 361 | 20 | 61 | 183 | 7,903 |
| 2019 | 7,348 | 510 | 1,795 | 28 | 374 | 23 | 64 | 135 | 10,277 |

City of Byram
Table 3
Fund Balance and Net Position Information
Last Ten Fiscal Years
(amounts expressed in thousands)

| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|----------------|-----------------|-----------------|-----------------|-----------------|------------------|----------------|----------------|----------------|----------------|
| Governmental Funds Fund Balance | | | | | | | | | | |
| General Fund | | | | | | | | | | |
| Unassigned | \$2,923 | \$4,123 | \$4,204 | \$4,711 | \$4,938 | \$4,474 | \$4,758 | \$4,871 | \$4,452 | \$4,830 |
| Total General Fund | <u>2,923</u> | <u>4,123</u> | <u>4,204</u> | <u>4,711</u> | <u>4,938</u> | <u>4,474</u> | <u>4,758</u> | <u>4,871</u> | <u>4,452</u> | <u>4,830</u> |
| All Other Governmental Funds | | | | | | | | | | |
| Restricted: | | | | | | | | | | |
| Unemployment | \$1 | \$14 | \$35 | \$54 | \$74 | \$100 | \$53 | \$53 | \$53 | \$45 |
| Public Safety | - | - | 1 | 1 | 34 | 54 | 34 | 17 | 17 | 18 |
| Capital Projects | - | - | 3,614 | 2,105 | 199 | 48 | - | - | - | - |
| Debt Service | - | - | 8 | 45 | 77 | 132 | 167 | 699 | 784 | 936 |
| Assigned: | | | | | | | | | | |
| Marketing | - | - | - | - | - | - | - | - | 14 | 82 |
| Unassigned: | <u>2,923</u> | <u>4,123</u> | <u>4,204</u> | <u>4,711</u> | <u>4,938</u> | <u>4,474</u> | <u>4,758</u> | <u>4,871</u> | <u>4,452</u> | <u>4,830</u> |
| Total All Other Governmental Funds | <u>\$1</u> | <u>\$4,137</u> | <u>\$7,862</u> | <u>\$6,916</u> | <u>\$5,322</u> | <u>\$4,808</u> | <u>\$5,012</u> | <u>\$5,640</u> | <u>\$5,319</u> | <u>\$5,911</u> |
| Government-Wide Funds Net Position | | | | | | | | | | |
| Governmental Activities | | | | | | | | | | |
| Net Investment in Capital Assets | \$5,421 | \$6,074 | \$2,370 | \$5,634 | \$9,897 | \$10,014 | \$9,121 | \$4,656 | \$6,249 | \$8,386 |
| Restricted | 1 | 14 | 3,658 | 2,168 | 357 | 306 | 237 | 739 | 827 | 965 |
| Unrestricted | <u>2,923</u> | <u>4,093</u> | <u>4,231</u> | <u>4,697</u> | <u>4,792</u> | <u>(976)</u> | <u>(1,340)</u> | <u>(2,181)</u> | <u>(3,485)</u> | <u>(3,890)</u> |
| Total Governmental Activities | <u>\$8,345</u> | <u>\$10,181</u> | <u>\$10,259</u> | <u>\$12,499</u> | <u>\$15,046</u> | <u>\$9,344</u> | <u>\$8,018</u> | <u>\$3,214</u> | <u>\$3,591</u> | <u>\$5,461</u> |
| Business-Type Activities | | | | | | | | | | |
| Net Investment in Capital Assets | \$ - | \$ - | (\$274) | (\$324) | (\$656) | (\$641) | \$1,569 | \$1,585 | \$1,818 | \$1,488 |
| Restricted | - | - | - | - | - | - | - | - | - | 359 |
| Unrestricted | - | - | (94) | (211) | (210) | (370) | (346) | (397) | (606) | - |
| Total Business-Type Activities | <u>\$ -</u> | <u>\$ -</u> | <u>(\$368)</u> | <u>(\$535)</u> | <u>(\$886)</u> | <u>(\$1,011)</u> | <u>\$1,223</u> | <u>\$1,188</u> | <u>\$1,212</u> | <u>\$1,848</u> |
| Total Primary Government | | | | | | | | | | |
| Net Investment in Capital Assets | \$5,421 | \$6,074 | \$2,096 | \$5,310 | \$9,241 | \$9,373 | \$10,690 | \$6,241 | \$8,067 | \$9,874 |
| Restricted | 1 | 14 | 3,658 | 2,168 | 357 | 306 | 237 | 739 | 827 | 1,324 |
| Unrestricted | <u>2,923</u> | <u>4,093</u> | <u>4,137</u> | <u>4,486</u> | <u>4,562</u> | <u>(1,346)</u> | <u>(1,686)</u> | <u>(2,578)</u> | <u>(4,091)</u> | <u>(3,890)</u> |
| Total Primary Government | <u>\$8,345</u> | <u>\$10,181</u> | <u>\$9,891</u> | <u>\$11,964</u> | <u>\$14,160</u> | <u>\$8,333</u> | <u>\$9,241</u> | <u>\$4,402</u> | <u>\$4,803</u> | <u>\$7,309</u> |

*Fund Balance information with respect to these categories for years 2009-2010 is unavailable before GASB 54 implementation.

City of Byram
Table 4
Schedule of Changes in Net Position, Last Ten Fiscal Years
Last Ten Fiscal Years
(accrual basis of accounting)

| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|-------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|---------------|---------------|
| Expenses | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| General government | \$882,958 | \$1,262,270 | \$2,166,967 | \$1,744,091 | \$1,614,727 | \$1,157,724 | \$1,276,167 | \$1,321,123 | \$1,553,934 | \$1,713,206 |
| Public safety | 144,085 | 1,548,243 | 1,255,309 | 495,330 | 1,313,027 | 3,906,432 | 3,215,882 | 3,400,103 | 4,257,675 | 3,453,452 |
| Public services | 125,092 | 521,605 | 2,196,081 | 2,479,546 | 1,897,671 | 1,910,226 | 1,875,852 | 5,630,570 | 1,790,615 | 2,599,260 |
| Culture and recreation | - | 18,945 | 33,049 | 25,437 | 4,062 | 28,667 | 78,275 | 167,677 | 309,794 | 354,453 |
| Pension expense | - | - | - | - | - | 799,967 | 1,276,214 | 1,461,677 | - | - |
| Interest on long-term debt | - | - | - | 42,002 | 83,372 | 636 | 123,732 | 380,211 | 239,199 | 254,349 |
| Total governmental activities expenses | 1,152,135 | 3,351,063 | 5,651,406 | 4,786,406 | 4,912,859 | 7,803,652 | 7,846,122 | 12,361,361 | 8,151,217 | 8,374,720 |
| Business-type activities | | | | | | | | | | |
| Public utility (Sewer) | - | - | 592,306 | 607,677 | 589,436 | 715,055 | 1,385,298 | 629,240 | 1,048,499 | 1,452,082 |
| Total business-type activities expenses | - | - | 592,306 | 607,677 | 589,436 | 715,055 | 1,385,298 | 629,240 | 1,048,499 | 1,452,082 |
| Total primary government expenses | \$1,152,135 | \$3,351,063 | \$6,243,712 | \$5,394,083 | \$5,502,295 | \$8,518,707 | \$9,231,420 | \$12,990,601 | \$9,199,716 | \$9,826,802 |
| Program Revenues | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| General government | \$210,740 | \$682,135 | \$1,161,125 | \$882,694 | \$1,053,488 | \$1,059,074 | \$873,915 | \$996,983 | \$1,006,824 | \$1,466,293 |
| Operating grants and contributions | 130,678 | 418,823 | 250,887 | 898,923 | 659,590 | 277,491 | 475,668 | 364,955 | 217,238 | 1,174,077 |
| Total governmental activities program revenues | 341,418 | 1,100,958 | 1,412,012 | 1,781,617 | 1,713,078 | 1,336,565 | 1,349,583 | 1,361,938 | 1,224,062 | 2,640,370 |
| Business-type activities | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| Sewer | - | - | 32,938 | 576,353 | 573,696 | 848,884 | 1,121,606 | 876,208 | 1,035,675 | 2,007,497 |
| Operating grants and contributions | - | - | - | - | - | - | 304,877 | - | - | - |
| Total business-type activities program revenues | - | - | 32,938 | 576,353 | 573,696 | 848,884 | 1,426,483 | 876,208 | 1,035,675 | 2,007,497 |
| Total primary government program revenues | \$341,418 | \$1,100,958 | \$1,444,950 | \$2,357,970 | \$2,286,774 | \$2,185,449 | \$2,976,066 | \$2,238,146 | \$2,259,737 | \$4,647,867 |
| Net (Expense)/Revenue | | | | | | | | | | |
| Governmental activities | (\$810,717) | (\$2,250,105) | (\$4,239,394) | (\$3,004,789) | (\$3,199,781) | (\$6,467,087) | (\$6,496,539) | (\$10,999,423) | (\$6,927,155) | (\$5,734,350) |
| Business-type activities | - | - | (\$59,368) | (31,324) | (15,740) | 133,829 | 241,185 | 246,968 | (12,824) | 555,415 |
| Total primary government net expense | (\$810,717) | (\$2,250,105) | (\$4,798,762) | (\$3,036,113) | (\$3,215,521) | (\$6,333,258) | (\$6,255,354) | (\$10,752,455) | (\$6,939,979) | (\$5,178,935) |
| General Revenues and Other Changes in Net Position | | | | | | | | | | |
| Governmental Activities | | | | | | | | | | |
| Taxes | | | | | | | | | | |
| Property taxes | \$2,307,169 | \$2,542,079 | \$2,561,178 | \$3,024,808 | \$3,026,559 | \$3,069,187 | \$3,143,628 | \$3,351,094 | \$3,590,790 | \$3,732,040 |
| Sales taxes | 1,493,274 | 1,527,692 | 1,711,344 | 1,946,916 | 1,857,650 | 1,820,194 | 2,370,509 | 2,649,346 | 2,802,450 | 3,616,127 |
| Road and bridge privilege taxes | - | - | - | - | - | 117,550 | 142,547 | 15,816 | 15,669 | 60,308 |
| Other taxes | 14,969 | 20,883 | 30,042 | 23,792 | 31,431 | 6,385 | 6,385 | 6,385 | 6,385 | 6,385 |
| Grants and contributions | - | - | 614 | - | - | - | - | - | - | - |
| Unrestricted investment income | 19,482 | 43,350 | 27,432 | 28,297 | 10,101 | 6,624 | 5,267 | 5,562 | 61,179 | 64,237 |
| Miscellaneous | 13,667 | 5,977 | 57,632 | 29,253 | 61,966 | 72,070 | 289,702 | 122,135 | 202,329 | 167,398 |
| Transfers | - | - | 20,854 | 183,335 | 332,173 | 31,402 | - | - | - | - |
| Total governmental activities | 3,848,561 | 4,139,981 | 4,409,096 | 5,236,401 | 5,319,880 | 5,123,412 | 5,958,038 | 6,150,238 | 6,678,802 | 7,646,495 |
| Business-type activities | | | | | | | | | | |
| Unrestricted investment income | - | - | 34 | 117 | 62 | 45 | \$7 | 58 | 7,427 | 11,975 |
| Miscellaneous | - | - | 212,088 | - | - | - | - | - | - | - |
| Transfers | - | - | (20,854) | (183,335) | (332,173) | (31,402) | - | - | - | - |
| Total business-type activities | - | - | 191,268 | (183,218) | (332,111) | (31,357) | \$7 | \$8 | 7,427 | 11,975 |
| Total primary government | \$3,848,561 | \$4,139,981 | \$4,600,364 | \$5,053,183 | \$4,987,769 | \$5,092,055 | \$5,958,095 | \$6,150,296 | \$6,686,229 | \$7,658,470 |
| Change in Net Position | | | | | | | | | | |
| Governmental activities | \$3,037,844 | \$1,889,876 | \$169,702 | \$2,231,612 | 2,120,099 | (1,343,675) | (538,501) | (4,849,185) | (248,353) | 1,912,145 |
| Business-type activities | - | - | (368,100) | (214,542) | (347,851) | 102,472 | 241,242 | 247,026 | (5,397) | 567,390 |
| Total primary government | \$3,037,844 | \$1,889,876 | (\$198,398) | \$2,017,070 | \$1,772,248 | (\$1,241,203) | (\$297,259) | (\$4,602,159) | (\$253,750) | \$2,479,535 |

City of Byram
Table 5
Schedule of Changes in Fund Balance
Last Ten Fiscal Years
(modified accrual basis of accounting)

| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|--------------------|--------------------|--------------------|--------------------|----------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Revenues | | | | | | | | | | |
| Sales Taxes | \$1,493,274 | \$1,527,692 | \$1,711,344 | \$1,946,916 | \$1,857,650 | \$1,820,194 | \$2,370,509 | \$2,649,246 | \$2,802,450 | \$3,616,127 |
| Property Taxes | 2,307,169 | 2,542,079 | 2,561,178 | 3,024,808 | 3,026,559 | 3,069,187 | 3,143,628 | 3,351,094 | 3,590,790 | 3,732,040 |
| Licenses, fees, and permits | 210,340 | 386,048 | 385,075 | 385,417 | 444,271 | 525,063 | 491,565 | 485,126 | 507,859 | 510,216 |
| Fines and forfeitures | - | 163,268 | 378,722 | 288,986 | 401,394 | 234,269 | 195,854 | 351,470 | 360,807 | 373,738 |
| Charges for services | 400 | 17,737 | 16,230 | 23,739 | 16,625 | 125,240 | 27,395 | 53,538 | 30,945 | 28,144 |
| Grants and donations | - | - | 60,687 | 28,767 | 25,137 | 34,114 | 40,241 | 0 | 19,750 | 23,101 |
| Investment income | 19,482 | 43,350 | 27,432 | 28,297 | 10,101 | 6,624 | 5,267 | 5,562 | 61,179 | 64,237 |
| Intergovernmental programs | 144,384 | 542,253 | 429,718 | 1,086,701 | 859,094 | 551,307 | 757,020 | 475,812 | 346,345 | 1,794,805 |
| Other revenue | 14,930 | 18,409 | 19,048 | 20,561 | 32,933 | 48,548 | 173,234 | 122,335 | 182,739 | 134,945 |
| Total Revenues | 4,189,979 | 5,240,836 | 5,589,434 | 6,834,192 | 6,673,764 | 6,414,546 | 7,204,713 | 7,494,183 | 7,902,864 | 10,277,353 |
| Expenditures | | | | | | | | | | |
| General government | 697,009 | 993,846 | 1,553,118 | 1,271,893 | 1,115,623 | 1,108,285 | 1,401,782 | 1,377,834 | 1,382,154 | 1,498,348 |
| Public safety | 469,942 | 2,920,942 | 3,270,479 | 3,724,737 | 5,420,550 | 3,775,704 | 4,086,626 | 3,998,834 | 4,708,416 | 4,787,369 |
| Public services | 98,528 | 480,740 | 2,141,366 | 2,416,541 | 1,828,814 | 1,517,235 | 1,611,844 | 5,357,676 | 1,327,832 | 2,125,477 |
| Culture and recreation | - | 18,945 | 33,049 | 25,437 | 4,062 | 28,667 | 79,731 | 174,552 | 282,342 | 336,021 |
| Debt service: | - | - | - | - | - | - | - | - | - | - |
| Principal | - | - | - | 355,836 | 372,132 | 438,703 | 334,000 | 307,532 | 661,309 | 700,749 |
| Interest | - | - | - | 169,386 | 151,801 | 148,614 | 134,645 | 126,132 | 240,938 | 244,275 |
| Other | - | - | 97,700 | 500 | - | 500 | 500 | 241,507 | 2,250 | 2,250 |
| Total Expenditures | 1,265,479 | 4,414,473 | 7,095,712 | 7,964,330 | 8,892,982 | 7,017,708 | 7,649,128 | 11,584,067 | 8,605,241 | 9,694,489 |
| Excess of revenues over/ (under) expenditures | 2,924,500 | 826,363 | (1,506,278) | (1,130,138) | (2,219,218) | (603,162) | (444,415) | (4,089,884) | (702,377) | 582,864 |
| Other Financing Sources (Uses) | | | | | | | | | | |
| Issuance of bonds/ loan proceeds | - | - | 5,000,000 | - | - | - | - | 4,700,000 | - | - |
| Inception of leases | - | 385,689 | 189,367 | - | 266,633 | 43,682 | 164,075 | 0 | 450,513 | 0 |
| Insurance proceeds | - | - | 21,453 | - | 27,021 | 14,300 | 17,302 | 18,262 | 23,456 | 9,512 |
| Transfers from other funds | - | - | 1,310,854 | 183,335 | 332,173 | 31,402 | 202,830 | 473,528 | 0 | 0 |
| Transfers to other funds | - | - | (1,290,000) | - | - | - | (202,830) | (473,528) | - | - |
| Other | - | - | - | 491 | - | (271) | 85,606 | (269) | - | - |
| Total other financing sources (uses) | 0 | 385,689 | 5,231,674 | 183,826 | 625,827 | 89,113 | 266,983 | 4,717,993 | 473,969 | 9,512 |
| Net change in fund balances | \$2,924,500 | \$1,212,052 | \$3,725,396 | (\$946,312) | (\$1,593,391) | (\$514,049) | (\$177,432) | \$628,109 | (\$228,408) | \$592,376 |
| Debt service as a percentage of noncapital expenditures | 0.00% | 0.00% | 1.97% | 11.86% | 11.73% | 8.95% | 7.50% | 6.36% | 12.67% | 12.77% |

City of Byram
Table 6
Property Tax Levies and Collections (1)
 Last Ten Fiscal Years
 (amounts expressed in thousands)

| Fiscal Year | Total Levy | Current Collections | % Current Collected | Delinquent Collections | Total Tax Collections | Ratio Total Collected to Levy | Outstanding Delinquent Taxes | Ratio Delinquent to Total Levy |
|-------------|------------|---------------------|---------------------|------------------------|-----------------------|-------------------------------|------------------------------|--------------------------------|
| 2010 | 2,497,215 | 2,302,517 | 92.2% | 0 | 2,302,517 | 92.2% | 194,698 | 7.80% |
| 2011 | 2,524,707 | 2,490,340 | 98.6% | 51,738 | 2,542,078 | 100.7% | 177,327 | 7.02% |
| 2012 | 2,541,699 | 2,512,391 | 98.8% | 48,787 | 2,561,178 | 100.8% | 157,847 | 6.21% |
| 2013 | 2,972,006 | 2,982,191 | 100.3% | 20,734 | 3,002,925 | 101.0% | 126,928 | 4.27% |
| 2014 | 3,109,693 | 2,969,375 | 95.5% | 57,184 | 3,026,559 | 97.3% | 210,062 | 6.76% |
| 2015 | 3,007,354 | 2,975,988 | 99.0% | 93,199 | 3,069,187 | 102.1% | 148,229 | 4.93% |
| 2016 | 3,051,754 | 3,070,130 | 100.6% | 73,498 | 3,143,628 | 103.0% | 56,355 | 1.85% |
| 2017 | 3,395,297 | 3,289,025 | 96.9% | 62,065 | 3,351,090 | 98.7% | 100,562 | 2.96% |
| 2018 | 3,508,762 | 3,471,199 | 98.9% | 119,591 | 3,590,790 | 102.3% | 18,534 | 0.53% |
| 2019 | 3,643,538 | 3,586,775 | 98.4% | 145,265 | 3,732,040 | 102.4% | -69,968 | -1.92% |

(1) Levy is established October 1 of year in which taxes are collected.

Source: Hinds County Tax Collector office

City of Byram
Table 7
Assessed and Actual Value of Property (1)
Last Ten Fiscal Years
(amounts expressed in thousands)

| Fiscal Year | REAL PROPERTY | | PERSONAL PROPERTY | | UTILITIES | | VEHICLES | | TOTALS | | % Assessed Increase (Decrease) |
|-------------|----------------|--------------|-------------------|--------------|----------------|--------------|----------------|--------------|----------------|--------------|--------------------------------|
| | Assessed Value | Actual Value | Assessed Value | Actual Value | Assessed Value | Actual Value | Assessed Value | Actual Value | Assessed Value | Actual Value | |
| 2010 | 60,107,586 | 439,382,939 | 3,928,445 | 26,189,633 | - | - | 11,200,000 | 37,333,333 | 75,236,031 | 502,905,905 | 100.0% |
| 2011 | 61,203,466 | 447,393,757 | 4,339,798 | 28,931,987 | 4,200,000 | 28,000,000 | 9,239,736 | 30,799,120 | 78,983,000 | 535,124,864 | 5.0% |
| 2012 | 62,098,521 | 453,936,557 | 4,156,928 | 27,712,853 | 3,829,528 | 25,530,187 | 14,638,321 | 48,794,403 | 84,723,298 | 555,974,000 | 7.3% |
| 2013 | 64,548,959 | 471,849,115 | 4,432,446 | 29,549,640 | 3,059,072 | 20,393,813 | 15,115,135 | 50,383,783 | 87,155,612 | 572,176,352 | 2.9% |
| 2014 | 64,594,995 | 472,185,636 | 4,030,458 | 26,869,720 | 3,236,965 | 21,579,767 | 15,851,935 | 52,839,783 | 87,714,353 | 573,474,906 | 0.6% |
| 2015 | 64,950,109 | 474,781,499 | 4,170,944 | 27,806,293 | 3,319,024 | 22,126,827 | 15,752,112 | 52,507,040 | 88,192,189 | 577,221,659 | 0.5% |
| 2016 | 65,508,397 | 478,862,551 | 3,998,075 | 26,653,833 | 3,405,756 | 22,705,040 | 16,582,036 | 55,273,453 | 89,494,264 | 583,494,878 | 1.5% |
| 2017 | 67,357,446 | 492,378,991 | 4,845,322 | 32,302,147 | 3,621,263 | 24,141,753 | 17,138,700 | 57,129,000 | 92,962,731 | 605,951,891 | 3.9% |
| 2018 | 68,110,377 | 497,882,873 | 4,961,865 | 33,079,100 | 3,755,232 | 25,034,880 | 18,825,490 | 62,751,633 | 95,652,964 | 618,748,486 | 2.9% |
| 2019 | 72,312,646 | 528,601,213 | 8,470,148 | 56,467,653 | 3,920,673 | 26,137,820 | 21,785,647 | 72,618,823 | 106,489,114 | 683,825,510 | 11.3% |

(1) Assessment rates are as follows:

Real Property - Assessed at 10% of actual value for homeowner-occupied, 15% for all others.

Personal Property - Assessed at 15% of actual value.

Utilities - Assessed at 15% of actual value.

Vehicles - Assessed at 30% of actual value.

Above schedule uses estimated combined assessment ratio of 13.68% for real property.

(2) The weighted average of all individual direct rates is 14.9%.

Source: Hinds County Tax Assessor

City of Byram
Table 8
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

| Fiscal Year | City of Byram | | | Hinds County | | | School District | | | Grand Total Millage |
|----------------|----------------------|-----------------|------------------|----------------------|-----------------|------------------|----------------------|-----------------|------------------|---------------------------|
| | Operating Millage | Debt Millage | Total Millage | Operating Millage | Debt Millage | Total Millage | Operating Millage | Debt Millage | Total Millage | |
| 2010 | 30 | 0.00 | 30.00 | 41.96 | 3.245 | 45.21 | 48.17 | 12.81 | 60.98 | 136.19 |
| 2011 | 30 | 0.00 | 30.00 | 41.96 | 3.245 | 45.21 | 49.87 | 11.13 | 61.00 | 136.21 |
| 2012 | 30 | 4.10 | 34.10 | 42.75 | 2.455 | 45.21 | 48.97 | 12.03 | 61.00 | 140.31 |
| 2013 | 30 | 4.10 | 34.10 | 42.92 | 2.280 | 45.20 | 50.18 | 10.82 | 61.00 | 140.30 |
| 2014 | 30 | 4.10 | 34.10 | 42.43 | 1.750 | 44.18 | 50.12 | 10.88 | 61.00 | 139.28 |
| 2015 | 30 | 4.10 | 34.10 | 42.25 | 1.930 | 44.18 | 50.65 | 14.36 | 65.00 | 143.28 |
| 2016 | 30.2 | 3.90 | 34.10 | 42.20 | 1.930 | 44.13 | 54.31 | 12.74 | 67.05 | 145.28 |
| 2017 | 30.4 | 3.70 | 34.10 | 42.13 | 1.750 | 43.88 | 54.72 | 12.33 | 67.05 | 145.03 |
| 2018 | 30.4 | 3.70 | 34.10 | 44.37 | 3.580 | 47.95 | 56.11 | 10.94 | 67.05 | 149.10 |
| 2019 | 30.8 | 3.30 | 34.10 | 44.37 | 3.580 | 47.95 | 56.79 | 10.26 | 67.05 | 149.10 |

Source: City of Byram

City of Byram
Table 9
Principal Taxpayers
Current and Ten Years Ago
(amounts expressed in thousands)

| Taxpayer | 2019 | | | | 2009 | | | |
|--|------------------|--------------------|------|-------------------------------|------------------|--------------------|------|-------------------------------|
| | Type of Business | Assessed Valuation | Rank | % of Total Assessed Valuation | Type of Business | Assessed Valuation | Rank | % of Total Assessed Valuation |
| Hinds Bradford Place Apartments LLC | Apartment | \$ 2,671,772 | 1 | 30.54% | | | | |
| Spring Lake Town Park LLC | Apartment | 1,869,960 | 2 | 21.38% | | | | |
| Reserve of Byram II LLC | Apartment | 1,519,052 | 3 | 17.37% | | | | |
| Kroger Limited Partnership | Grocery Store | 629,366 | 4 | 7.19% | | | | |
| Raworth & Harvel, LLC | Office Space | 425,072 | 7 | 4.86% | | | | |
| Byram Marketplace LLC | Shopping Center | 395,688 | 8 | 4.52% | | | | |
| Willow Creek Retirement LLC | Nursing Home | 377,229 | 6 | 4.31% | | | | |
| Kelly Holdings LLC | Nursing Home | 363,858 | 5 | 4.16% | | | | |
| Arora Inder | Hotel | 263,756 | 9 | 3.02% | | | | |
| BTC LLC | Shopping Center | 231,909 | 10 | 2.65% | | | | |
| Spring Lake LLC | | | | | Apartment | 2,038,523 | 1 | 24.71% |
| Hinds Bradford Place United LLC | | | | | Apartment | 1,553,012 | 2 | 18.82% |
| Reserve of Byram II LLC | | | | | Apartment | 1,466,239 | 3 | 17.77% |
| Reserve of Byram LLC | | | | | Apartment | 1,097,745 | 4 | 13.31% |
| Kroger Limited Partnership | | | | | Grocery Store | 477,253 | 5 | 5.79% |
| M&H Drugs Inc | | | | | Shopping Center | 429,822 | 6 | 5.21% |
| Courthouse Inc | | | | | Fitness | 350,204 | 7 | 4.25% |
| Willow Creek Retirement LLC | | | | | Nursing Home | 330,338 | 8 | 4.00% |
| OMSIV INC | | | | | Hotel | 254,136 | 9 | 3.08% |
| Byram Development Co. Inc | | | | | Office Space | 252,485 | 10 | 3.06% |
| Total taxable assessed value of 10 largest taxpayers | | \$ 8,747,662 | | 10.83% | | \$ 8,249,757 | | 12.93% |
| Total taxable assessed value of other taxpayers | | \$ 72,035,132 | | 89.17% | | \$ 55,566,301 | | 87.07% |
| Total taxable assessed value of all taxpayers | | \$ 80,782,794 | | 100.00% | | \$ 63,816,058 | | 100.00% |

(1) Incorporation was effective in June, 2009
Source: Hinds County Tax Assessor's Office

City of Byram
Table 10
Computation of Direct and Overlapping Bonded Debt
General Obligation Bonds (1)
Current and Nine Years Ago
(amounts expressed in thousands)

| <u>Fiscal Year</u> | <u>Jurisdiction</u> | <u>(2) Net General Obligation Bonded Debt Outstanding</u> | <u>(3) Percentage Applicable to Byram</u> | <u>Amount Applicable to Byram</u> |
|----------------------------|----------------------|---|---|---|
| Direct: | | | | |
| 2019 | City of Byram | \$8,010,975 | 100.00% | \$8,010,975 |
| Overlapping: | | | | |
| 2019 | Hinds County | 81,901,000 | 3.72% (2) | 3,046,717 |
| 2019 | Hinds County Schools | <u>74,840,850</u> | 19.41% (2) | <u>14,526,609</u> |
| Total Overlapping | | <u>156,741,850</u> | | <u>17,573,326</u> |
| Total Direct & Overlapping | | <u>\$164,752,825</u> | | <u>\$25,584,301</u> |
| | | | | |
| Direct: | | | | |
| 2010 | City of Byram | \$0 | 100.00% | \$0 |
| Overlapping: | | | | |
| 2010 | Hinds County | 46,745,000 | 3.72% (2) | 1,738,914 |
| 2010 | Hinds County Schools | <u>29,753,000</u> | 19.41% (2) | <u>5,775,057</u> |
| Total Overlapping | | <u>76,498,000</u> | | <u>7,513,971</u> |
| Total Direct & Overlapping | | <u>\$76,498,000</u> | | <u>\$7,513,971</u> |

(1) Total bonded G.O. debt less amount in debt service funds for retirement of bonds.

(2) The percentage used is based on population.

Note: *Excludes bonded debt to be repaid by the Sewer Operations Fund.

Source: Hinds County School District, Hinds County

City of Byram
Table 11
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(amounts expressed in thousands)

| Fiscal Year | Governmental Activities | | | Business-type Activities | | | | Total Primary Government | Percentage of Personal Income (a) | Per Capita |
|-------------|--------------------------------|-----------------------------------|---------------|--------------------------------|------------------|---------------------------------|--------|--------------------------------|---|---------------|
| | General Obligation Bonds | Tax Increment Limited Bonds | Other Debt | General Obligation Bonds | Revenue Bonds | State Revolving Fund Loan | Other | | | |
| 2010 | - | | 6,450 | - | - | - | - | 6,450 | 0.00% | 1 |
| 2011 | - | | 415,073 | - | - | - | - | 415,073 | 0.15% | 36 |
| 2012 | 5,000,000 | | 575,056 | - | - | 2,750,000 | - | 8,325,056 | 2.82% | 710 |
| 2013 | 4,815,000 | | 673,637 | - | - | 2,651,055 | - | 8,139,692 | 3.01% | 694 |
| 2014 | 4,625,000 | | 440,477 | - | - | 3,125,301 | - | 8,190,778 | 3.10% | 706 |
| 2015 | 4,430,000 | | 269,056 | 700,000 | 0 | 2,976,028 | 19,705 | 8,394,789 | 2.88% | 726 |
| 2016 | 4,225,000 | | 496,257 | 640,000 | 0 | 3,532,549 | 68,369 | 8,962,175 | 3.21% | 779 |
| 2017 | 4,015,000 | 4,700,000 | 207,106 | 575,000 | 0 | 3,352,499 | 57,260 | 12,906,865 | 3.92% | 1,118 |
| 2018 | 3,800,000 | 4,355,000 | 556,461 | 510,000 | 5,500,000 | 3,164,137 | 48,827 | 12,418,578 | 3.88% | 1,064 |
| 2019 | 3,580,000 | 4,015,000 | 415,975 | 445,000 | 5,315,000 | 2,414,452 | 40,198 | 16,225,625 | 4.92% | 1,392 |

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

(a) See Table 17 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

(b) \$4.7 million in Tax Increment Financing Bonds were issued in fiscal year 2017

(c) \$5.5 million in Revenue Bonds were issued in fiscal year 2018

City of Byram
Table 12
Legal Debt Margin Information
Last Ten Fiscal Years
(amounts expressed in thousands)

| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Assessed Value of Property | \$75,236,031 | \$78,983,000 | \$84,723,298 | \$87,155,612 | \$87,714,353 | \$88,192,189 | \$89,494,264 | \$92,962,731 | \$95,652,964 | \$106,489,114 |
| Debt Limit, 15% of Assessed Valuation | 11,285,405 | 11,847,450 | 12,708,495 | 13,073,342 | 13,157,153 | 13,228,828 | 13,424,140 | 13,944,410 | 14,347,945 | 15,973,367 |
| Amount of Debt Applicable to Limit: | | | | | | | | | | |
| General Long-Term Debt | - | - | 5,000,000 | 4,815,000 | 4,625,000 | 4,430,000 | 4,225,000 | 4,015,000 | 3,800,000 | 3,580,000 |
| Tax Increment Limited Obligations Bonds | - | - | 0 | 0 | 0 | 0 | 0 | 4,700,000 | 4,355,000 | 4,015,000 |
| G.O. Public Utility Bonds | - | - | - | - | - | 700,000 | 640,000 | 575,000 | 510,000 | 440,000 |
| Total Bonded Debt (a) | 0 | 0 | 5,000,000 | 4,815,000 | 4,625,000 | 5,130,000 | 4,865,000 | 9,290,000 | 8,665,000 | 8,035,000 |
| Less: | | | | | | | | | | |
| Special Assessment Bonds | - | - | - | - | 0 | 0 | 0 | 0 | 0 | 0 |
| G. O. Public Utility Bonds | - | - | - | - | - | 700,000 | 640,000 | 575,000 | 510,000 | 440,000 |
| Total Excluded (b) | 0 | 0 | 0 | 0 | 0 | 700,000 | 640,000 | 575,000 | 510,000 | 440,000 |
| Total Net Debt Applicable to Limit (a)-(b) | 0 | 0 | 5,000,000 | 4,815,000 | 4,625,000 | 4,430,000 | 4,225,000 | 8,715,000 | 8,155,000 | 7,595,000 |
| Legal Debt Margin | \$11,285,405 | \$11,847,450 | \$7,708,495 | \$8,258,342 | \$8,532,153 | \$8,798,828 | \$9,199,140 | \$5,229,410 | \$6,192,945 | \$8,378,367 |
| Total Net Debt Applicable to the Limit as a percentage of debt limit | 0.00% | 0.00% | 39.34% | 36.83% | 35.15% | 33.49% | 31.47% | 62.50% | 56.84% | 47.55% |

City of Byram
Table 13
Ratio of Net General Obligation Debt to Assessed Value and
Net General Obligation Bonded Debt Per Capita
Last Ten Fiscal Years
(amounts expressed in thousands)

| <u>Fiscal Year</u> | <u>Estimated Population (1)</u> | <u>Assessed Valuation (2)</u> | <u>Gross Bonded Debt (3)</u> | <u>Less Debt Service Fund</u> | <u>Net Bonded Debt</u> | <u>Net Bonded Debt Per Capita (4)</u> | <u>Ratio of Net Bonded Debt to Assessed Value</u> |
|--------------------|---------------------------------|-------------------------------|------------------------------|-------------------------------|------------------------|---------------------------------------|---|
| 2010 | 11 | 75,236,031 | - | - | 0 | - | 0.00% |
| 2011 | 11.6 | 78,983,000 | - | - | 0 | - | 0.00% |
| 2012 | 11.7 | 84,723,298 | 5,000,000 | - | 5,000,000 | 426,585 | 5.90% |
| 2013 | 11.7 | 87,155,612 | 4,815,000 | 44,972 | 4,770,028 | 406,964 | 5.47% |
| 2014 | 11.6 | 87,714,353 | 4,625,000 | 77,232 | 4,547,768 | 391,948 | 5.18% |
| 2015 | 11.6 | 88,192,189 | 5,130,000 | 131,802 | 4,998,198 | 432,520 | 5.67% |
| 2016 | 11.5 | 89,494,264 | 4,865,000 | 150,358 | 4,714,642 | 409,648 | 5.27% |
| 2017 | 11.5 | 92,962,731 | 4,590,000 | 669,629 | 3,920,371 | 339,573 | 4.22% |
| 2018 | 11.7 | 95,652,964 | 4,310,000 | 758,336 | 3,551,664 | 304,315 | 3.71% |
| 2019 | 11.6 | 106,489,114 | 4,020,000 | 1,518,849 | 2,501,151 | 215,616 | 2.35% |

(1) Bureau of the Census established 2000 and 2010 populations.

Interim figures are based on estimates by the Planning District and residential construction permits.

(2) From Table 7.

(3) Special Assessment debt has been excluded.

(4) Expressed in actual dollars.

City of Byram
Table 14
Ratio of Annual Debt Service Expenditures for
General Obligation Bonded Debt to Total Governmental Expenditures (1)
Last Ten Fiscal Years
(amounts expressed in thousands)

| <u>Fiscal Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total Debt Service</u> | <u>Total Governmental Expenditures</u> | <u>Ratio of Debt Service to General Governmental Expenditures</u> |
|------------------------|------------------|-----------------|-----------------------------------|--|---|
| 2010 | - | - | - | 1,265,479 | 0.00% |
| 2011 | - | - | - | 4,414,473 | 0.00% |
| 2012 | - | - | - | 7,095,682 | 0.00% |
| 2013 | 185,000 | 142,300 | 327,300 | 7,964,330 | 4.11% |
| 2014 | 190,000 | 136,010 | 326,010 | 7,017,208 | 4.65% |
| 2015 | 195,000 | 129,550 | 324,550 | 7,649,128 | 4.24% |
| 2016 | 265,000 | 140,395 | 405,395 | 11,584,067 | 3.50% |
| 2017 | 275,000 | 132,165 | 407,165 | 8,605,241 | 4.73% |
| 2018 | 280,000 | 123,660 | 403,660 | 8,605,241 | 4.69% |
| 2019 | 285,000 | 114,985 | 399,985 | 8,605,241 | 4.65% |

City of Byram
Table 15
Construction Activity (1)
Ten -Year Period Ending December 31, 2018
(amounts expressed in actual dollars)

| Calendar Year | Non-Residential | | Residential | | | Alterations | Total Value | % Change |
|------------------|----------------------|---------------|----------------------|--------------------------------|--------------|-------------|----------------|-------------|
| | Number of Permits | Value | Number of Permits | Increase In Family Units | Value | | | |
| 2010 | 179 | \$ 10,200,046 | 39 | 39 | \$ 3,967,710 | 4 | \$ 14,167,760 | 429.7% |
| 2011 | 207 | 10,013,349 | 18 | 18 | 2,552,460 | 2 | 12,565,811 | -11.3% |
| 2012 | 202 | 4,948,403 | 28 | 28 | 2,887,525 | 5 | 7,835,933 | -37.6% |
| 2013 | 198 | 3,501,532 | 37 | 37 | 4,943,798 | 12 | 8,445,342 | 7.8% |
| 2014 | 203 | 4,267,830 | 28 | 28 | 2,697,749 | 7 | 6,965,586 | -17.5% |
| 2015 | 249 | 16,804,829 | 61 | 45 | 6,340,530 | 7 | 23,145,366 | 232.3% |
| 2016 | 39 | 7,291,724 | 71 | 57 | 5,765,717 | 14 | 13,057,454 | -43.6% |
| 2017 | 66 | 7,445,251 | 112 | 42 | 5,638,843 | 70 | 13,084,164 | 0.2% |
| 2018 | 221 | 5,558,021 | 59 | 14 | 3,019,457 | 45 | 8,577,523 | -34.4% |
| 2019 | 131 | 3,925,225 | 88 | 22 | 2,206,307 | 66 | 6,131,598 | -28.5% |

(1) Source: City of Byram Building Permit Section

City of Byram
Table 16
Property Value and Construction
Last Ten Calendar Years
(amounts expressed in thousands)

| Fiscal Year | Real Property Value (2) | Non-Residential Construction (1) | | Residential Construction (1) | | Additions/ Alterations (1) | |
|----------------|-------------------------------|-------------------------------------|--------|---------------------------------|-------|-------------------------------|--------|
| | | Number of Units | Value | Number of Units | Value | Number of Units | Value |
| 2010 | 439,382,939 | 179 | 10,200 | 39 | 3,968 | 4 | 14,168 |
| 2011 | 447,393,757 | 207 | 10,013 | 18 | 2,552 | 2 | 12,566 |
| 2012 | 453,936,557 | 202 | 4,948 | 28 | 2,888 | 5 | 7,836 |
| 2013 | 471,849,115 | 198 | 3,502 | 37 | 4,944 | 12 | 8,445 |
| 2014 | 472,185,636 | 203 | 4,268 | 28 | 2,698 | 7 | 6,966 |
| 2015 | 474,781,499 | 249 | 16,805 | 45 | 6,341 | 7 | 23,145 |
| 2016 | 478,862,551 | 39 | 7,292 | 57 | 5,766 | 14 | 13,057 |
| 2017 | 492,378,991 | 66 | 7,445 | 42 | 5,639 | 70 | 13,084 |
| 2018 | 497,882,873 | 221 | 5,558 | 14 | 3,019 | 45 | 8,578 |
| 2019 | 528,601,213 | 131 | 3,925 | 22 | 2,206 | 66 | 6,132 |

(1) From Table 16

(2) Total estimated actual value from Table 7

Source: City of Byram

City of Byram
Table 17
Demographic and Economic Statistics
Last Ten Calendar Years

| Calendar Year | Population | Personal Income (thousands of dollars) | Per Capita Personal Income | Median Age | | County School Enrollment | Unemployment Rate |
|------------------|------------|---|-------------------------------------|---------------|---|--------------------------------|----------------------|
| 2010 | 11,489 | 21,616 | 248,346,224 | 32.4 | 1 | 6,404 | 9.4% |
| 2011 | 11,605 | 24,267 | 281,618,535 | 32.4 | 1 | 6,574 | 9.6% |
| 2012 | 11,721 | 25,201 | 295,380,921 | 32.4 | 1 | 6,706 | 8.4% |
| 2013 | 11,721 | 23,106 | 270,825,426 | 32.4 | 1 | 5,820 | 6.9% |
| 2014 | 11,603 | 22,777 | 264,281,531 | 32.4 | 1 | 6,255 | 6.2% |
| 2015 | 11,556 | 25,217 | 291,407,652 | 32.4 | 1 | 6,059 | 6.4% |
| 2016 | 11,509 | 24,231 | 278,874,579 | 32.4 | 1 | 6,382 | 5.5% |
| 2017 | 11,545 | 28,533 | 329,413,485 | 32.4 | 1 | 5,586 | 4.6% |
| 2018 | 11,671 | 27,446 | 320,322,266 | 35.2 | 1 | 5,159 | 4.1% |
| 2019 | 11,655 | 28,318 | 330,046,290 | 35.6 | 1 | 5,468 | 5.4% |

Source: U. S. Census Bureau
U.S. Census Bureau
Economic and Community Development Section
U. S. Labor Bureau Statistics
Hinds County School District

City of Byram
Table 18
Education Related Information
Last Ten Fiscal Years

| <u>Fiscal Year</u> | <u>Elementary Schools</u> | <u>Middle Schools</u> | <u>High Schools</u> | <u>Vocational Schools</u> | <u>Junior College</u> | <u>Total County Enrollment</u> |
|------------------------|-------------------------------|---------------------------|-------------------------|-------------------------------|---------------------------|--|
| 2010 | 2 | 1 | - | - | - | 6,574 |
| 2011 | 2 | 1 | - | - | - | 6,706 |
| 2012 | 2 | 1 | - | - | - | 5,820 |
| 2013 | 2 | 1 | - | - | - | 5,820 |
| 2014 | 2 | 1 | - | - | - | 6,255 |
| 2015 | 2 | 1 | - | - | - | 6,059 |
| 2016 | 2 | 1 | - | - | - | 6,382 |
| 2017 | 2 | 1 | - | - | - | 5,586 |
| 2018 | 2 | 1 | - | - | - | 5,159 |
| 2019 | 2 | 1 | - | - | - | 5,468 |

Source: City of Byram

City of Byram
Table 19
Principal Employers
Current and Ten Years Ago

| <u>Employer</u> | 2019 | | | 2010 | | |
|---------------------------|------------------|-------------|---|------------------|-------------|---|
| | <u>Employees</u> | <u>Rank</u> | <u>Percentage of Total Employment</u> | <u>Employees</u> | <u>Rank</u> | <u>Percentage of Total Employment</u> |
| Wal-mart | 242 | 1 | 35.64% | - | | 0.00% |
| Kroger | 167 | 2 | 24.59% | 122 | 1 | 26.81% |
| Willow Creek Nursing Home | 103 | 3 | 15.17% | 86 | 3 | 18.90% |
| Edgewood Health & Rehab | 97 | 4 | 14.29% | - | | 0.00% |
| Byram Middle School | 70 | 5 | 10.31% | 80 | 4 | 17.58% |
| Gary Road Elementary | - | | 0.00% | 91 | 2 | 20.00% |
| Gary Road Intermediate | - | | 0.00% | 76 | 5 | 16.70% |
| Total | <u>679</u> | | <u>100%</u> | <u>455</u> | | <u>100%</u> |

Source: City of Byram, Individual companies

City of Byram
Table 20
Full-time Equivalent Government Employees By Function
Last Ten Calendar Years

| Function/Program | 2010 | 2011 | 2012 | 2013 | 2002 | 2015 | 2016 | 2017 | 2018 | 2019 |
|------------------------|------|------|------|------|------|------|------|------|------|------|
| General government | 2 | 6 | 7 | 7 | 21 | 8 | 9 | 9 | 10 | 10 |
| Public safety (1) | 6 | 40 | 41 | 44 | 125 | 53 | 61 | 62 | 63 | 70 |
| Public services | 4 | 7 | 13 | 15 | ** | 13 | 14 | 13 | 12 | 14 |
| Culture and recreation | - | - | - | - | ** | - | - | 2 | 2 | 2 |
| Total | 12 | 53 | 61 | 66 | 146 | 74 | 84 | 86 | 87 | 96 |

Source: City of Byram

Notes:

(1) Includes Fire, Police, and Inspector

City of Byram
Table 21
Operating Indicators by Function
Last Ten Fiscal Years

| Function/Program | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|--|------|-------|---------|---------|---------|---------|---------|---------|---------|---------|
| General government | | | | | | | | | | |
| Building permits issued | 242 | 188 | 227 | 247 | 250 | 301 | 490 | 329 | 372 | 397 |
| Building inspections conducted | 465 | 338 | 308 | 507 | 551 | 465 | 846 | 736 | 767 | 678 |
| Public safety | | | | | | | | | | |
| Police | | | | | | | | | | |
| Arrests | - | 198 | 436 | 409 | 291 | 320 | 490 | 474 | 462 | 445 |
| Traffic violations | - | 2,532 | 3,250 | 4,152 | 3,586 | 2,994 | 5,040 | 5,363 | 5,129 | 3,322 |
| Parking violations | - | 10 | 83 | 41 | 13 | 17 | 17 | 18 | 19 | 19 |
| Fire | | | | | | | | | | |
| Number of emergency calls answered | - | - | 960 | 1,050 | 1,111 | 925 | 1,076 | 1,087 | 1,044 | 1,080 |
| Number of inspections conducted | - | - | 200 | 137 | 181 | 231 | 211 | 186 | 228 | 200 |
| Fire insurance rating | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 5 | 5 |
| Public services | | | | | | | | | | |
| Centerline miles of road maintained: | | | | | | | | | | |
| City | - | 189 | 189 | 192 | 192 | 192 | 192 | 192 | 192 | 192 |
| Street resurfacing (miles) | - | - | - | - | 3 | 3.5 | 10.5 | 6 | 3.5 | 7.5 |
| Potholes repaired | - | 1,200 | 1800 | 2,400 | 2,055 | 3,500 | 738 | 413 | 257 | 66 |
| Sanitation | | | | | | | | | | |
| Water | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Service connections | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Water main breaks | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Average daily consumption (thousands of gallons) | | | | | | | | | | |
| Number of fire hydrants | | | | | | | | | | |
| Sewer | | | | | | | | | | |
| Average daily sewage treatment (thousands of gallons) | - | - | 315,000 | 320,000 | 320,000 | 320,000 | 320,000 | 320,000 | 320,000 | 520,000 |
| Culture and recreation | | | | | | | | | | |
| Library | | | | | | | | | | |
| Volumes in collection | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Total volumes borrowed | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Parks | | | | | | | | | | |
| Park and Athletic field permits issued | N/A | N/A | N/A | N/A | N/A | N/A | 8 | 16 | 31 | 31 |

Source: City of Byram

City of Byram
Table 22
Capital Assets Indicators by Function
Last Ten Fiscal Years

| Function/Program | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|--|------|------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Public safety | | | | | | | | | | |
| Police | | | | | | | | | | |
| Number of stations | - | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Zone offices | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Patrol units | 2 | 24 | 26 | 26 | 29 | 30 | 32 | 32 | 29 | 28 |
| Fire | | | | | | | | | | |
| Number of stations | - | - | - | - | 1 | 1 | 1 | 1 | 1 | 1 |
| Public services | | | | | | | | | | |
| Street miles | | 189 | 189 | 193 | 193 | 193 | 193 | 193 | 193 | 193 |
| Street Lights | - | - | - | - | - | - | 227 | 285 | 310 | 336 |
| Traffic Signals | 4 | 6 | 6 | 6 | 6 | 6 | 7 | 7 | 7 | 7 |
| Sanitation | | | | | | | | | | |
| Water | | | | | | | | | | |
| Water mains (miles) | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Storage capacity (thousands of gallons) | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Sewer | | | | | | | | | | |
| Sanitary sewers (miles) | - | - | 29 | 36.67 | 36.67 | 40.5 | 40.5 | 40.5 | 70.84 | 70.84 |
| Storm sewers (miles) | - | - | 3 | 6.3 | 6.3 | 6.3 | 6.3 | 6.3 | 8.25 | 8.25 |
| Treatment capacity (thousands of gallons) | - | - | 191,625,000 | 191,625,000 | 191,625,000 | 191,625,000 | 191,625,000 | 191,625,000 | 191,625,000 | 191,625,000 |
| Refuse collection | | | | | | | | | | |
| Collection trucks | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Culture and recreation | | | | | | | | | | |
| Number of Parks | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Park Acreage | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Golf Courses | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Community Centers | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Recreational Trail Miles | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

(1) No capital assets indicators are available for the General Government function.

Source: City of Byram

City of Byram
Table 23
Miscellaneous Statistics

| | | | |
|---|----------------|--------------------------------|-----------------------------|
| Date of Incorporation | 6/16/2009 | Other: | |
| Form of Government | Mayor/Aldermen | Average selling price of homes | \$140,600 |
| Population (Estimated Census) | 11,655 | Median income-- household | \$65,671 |
| Area in square miles | 18.36 | Major highways | 1 |
| Number of employees (excluding police and fire) | 26 | Nearest railroads: | Canadian National |
| Police Protection: | | | Illinois Central |
| Number of sworn officers | 28 | Nearest commercial airport: | Jackson- Medgar Wiley Evers |
| Number of residents per sworn officer | 384 | | Runway length 8,500 feet |
| Education: | | | International Airport |
| Percentage of Population (> 25 yrs.) with | | Nearest general airport | Hawkins Field Airport |
| High school diploma | 94.00% | | Runway length 5,387 feet |
| Bachelor's degree | 31.5% | Nearest full-service port | Port of Vicksburg, 60 miles |
| | | Name of waterway | Mississippi River |

Source:

City of Byram
<https://www.census.gov/quickfacts/fact/table/byramcitymississippi,MS/PST045216>
www.byram-ms.us Byram Police 2019 annual report

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REPORTS ON INTERNAL CONTROL AND COMPLIANCE

FORTENBERRY & BALLARD, PC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

Mayor and Board of Aldermen/Alderwomen
City of Byram, Mississippi

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Byram, Mississippi as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise City of Byram's basic financial statements, and have issued our report thereon dated May 19, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be a material weakness as Finding 2019-001.

1929 SPILLWAY ROAD, SUITE B
BRANDON, MISSISSIPPI 39047
TELEPHONE 601-992-5292 FAX 601-992-2033

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Byram's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of Byram's Response to Finding

City of Byram's response to the finding identified in our audit is described in the accompanying corrective action plan. City of Byram's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

FORTENBERRY & BALLARD, PC

Fortenberry & Ballard, PC
May 19, 2020

Certified Public Accountants

FORTENBERRY & BALLARD, PC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND REPORT ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

Mayor and Board of Aldermen/Alderwomen
City of Byram, Mississippi

Report on Compliance for Each Major Federal Program

We have audited the City of Byram's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2019. City of Byram's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of City of Byram's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on the City's compliance.

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TELEPHONE 601-992-5292 FAX 601-992-2033

Opinion on Each Major Federal Program

In our opinion, the City of Byram, Mississippi complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2019.

Report on Internal Control Over Compliance

Management of the City of Byram, Mississippi is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the

requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

FORTENBERRY & BALLARD, PC

Fortenberry & Ballard, PC
May 19, 2020

Certified Public Accountants

FORTENBERRY & BALLARD, PC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
STATE LAWS AND REGULATIONS

Mayor and Board of Aldermen/Alderwomen
City of Byram, Mississippi

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Byram, Mississippi as of and for the year ended September 30, 2019, which collectively comprise the City of Byram's basic financial statements and have issued our report thereon dated May 19, 2020. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

As required by the state legal compliance audit program prescribed by the Office of the State Auditor, we have also performed procedures to test compliance with certain state laws and regulations. However, providing an opinion on compliance with all state laws and regulations was not an objective of our audit and, accordingly, we do not express such an opinion.

The results of procedures performed to test compliance with certain other state laws and regulations and our audit of the financial statements did not disclose any instances of noncompliance with other state laws and regulations.

This report is intended solely for the information and use of the City's management and the Office of the State Auditor and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

FORTENBERRY & BALLARD, PC

Fortenberry & Ballard, PC
May 19, 2020

Certified Public Accountants

1929 SPILLWAY ROAD, SUITE B
BRANDON, MISSISSIPPI 39047
TELEPHONE 601-992-5292 FAX 601-992-2033

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

City of Byram, Mississippi

Schedule of Findings and Questioned Costs For the Year Ended September 30, 2019

Section I: Summary of Auditor's Results

Financial Statements:

1. Type of auditor's report issued: Unmodified
2. Internal control over financial reporting:
 - a. Material weakness(es) identified? Yes.
 - b. Significant deficiency(ies) identified? None reported.
3. Noncompliance material to financial statements noted? No.

Federal Awards:

4. Internal control over major programs:
 - a. Material weakness(es) identified? No.
 - b. Significant deficiency(ies) identified? None reported.
5. Type of auditor's report issued on compliance for major programs: Unmodified
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? No.
7. Identification of major program:

| CFDA Numbers | Name of Federal Program or Cluster |
|--------------|------------------------------------|
| 20.205 | Highway Planning and Construction |

8. Dollar threshold used to distinguish between Type A and Type B programs: \$750,000.
9. Auditee qualified as low-risk auditee? No.

Section II: Financial Statements Findings

The results of our tests disclosed the following finding related to the financial statements that is required to be reported by *Government Auditing Standards*.

City of Byram, Mississippi

Schedule of Findings and Questioned Costs (Continued) For the Year Ended September 30, 2019

Material Weakness

Finding 2019-001

Criteria:

The internal control surrounding capital assets should provide the municipality with assurance that capital assets are properly documented and all capital assets are safeguarded according to the municipal audit and compliance guide.

Condition:

While testing capital assets, we noted assets were not always entered correctly and consistent with the municipalities' guidance into the subsidiary software system.

Cause:

Internal control procedures were not in place to ensure the capital assets agree with the required municipal guidelines and there was no oversight to make sure all capital assets were properly entered into the subsidiary software system.

Effect:

Without strong internal controls surrounding capital assets, the municipalities is at risk of misappropriation as well as misstatement of capital assets.

Recommendation:

We recommend the municipality implement policies and procedures to make sure their capital asset software system is accurate.

Views of Responsible Officials:

The listing of assets will be reviewed and inspected for proper identification and valuation as well as verification that duplicates do not exist. The first area to be reviewed and inspected will be the Construction in Progress. After completing it, all areas will be reviewed. Even though the depreciation values and life schedules for the previous year were reviewed and corrections were made, the asset depreciation values and life schedules will be reviewed for correct computations.

Section III: Federal Award Findings and Questioned Costs

The results of our tests did not disclose any findings and questioned costs related to the financial awards.

**AUDITEE'S CORRECTIVE ACTION PLAN
AND SUMMARY OF PRIOR AUDIT FINDINGS**

Richard White, Mayor
Janice G. Moser, Alderwoman Ward I
Charlie Campbell, Alderman Ward III
Wanda Smith, Alderwoman Ward V



Richard Cook, Alderman At Large
Diandra Hosey, Alderwoman Ward II
Teresa Mack, Alderwoman Ward IV
David Moore, Alderman Ward VI

AUDITEE'S CORRECTIVE ACTION PLAN

As required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, the City of Byram, Mississippi has prepared and hereby submits the following corrective action plan for the findings included in the Schedule of Findings and Questioned Costs for the year ended September 30, 2019:

Finding

2019 – 001

Corrective Action Plan Details

a. Name of Contact Person Responsible for Corrective Action

Name: Angela Richburg
Title: City Clerk
Phone Number: 601-372-7746 Ext 101

b. Corrective Action Planned: The listing of assets will be reviewed and inspected for proper identification and valuation as well as verification that duplicates do not exist. The first area to be reviewed and inspected will be the Construction in Progress. After completing it, all areas will be reviewed. Even though the depreciation values and life schedules for the previous year were reviewed and corrections were made, the asset addition depreciation values and life schedules will be reviewed for correct computations.

c. City's Aldermen Response: The City Clerk's Financial Office will execute the expressed action plan and have completed it by the end of the current fiscal year.

d. Anticipated Completion Date: September 30, 2020

Richard White, Mayor
Janice G. Moser, Alderwoman Ward I
Charlie Campbell, Alderman Ward III
Wanda Smith, Alderwoman Ward V



Richard Cook, Alderman At Large
Diandra Hosey, Alderwoman Ward II
Teresa Mack, Alderwoman Ward IV
David Moore, Alderman Ward VI

SUMMARY OF PRIOR AUDIT FINDINGS

As required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (UG), the City of Byram has prepared and hereby submits the following summary of prior year audit findings as of September 30, 2019:

Finding
2018-001

Status
Not Corrected (See Finding 2019-001)

